



City of Carson

Report to Mayor and City Council

February 7, 2012
New Business Consent

SUBJECT: RECEIVE AND FILE THE SIDE LETTER AGREEMENT WITH THE ASSOCIATION OF MANAGEMENT EMPLOYEES, THE CARSON PROFESSIONALS AND SUPERVISORS ASSOCIATION AND THE ASSOCIATION OF CONFIDENTIAL EMPLOYEES REGARDING THE EMPLOYEE LEAVE REDEMPTION PROGRAM

JACQUELYN ACOSTA

Submitted by Jacquelyn Acosta
Administrative Services General Manager

David C. Biggs

Approved by David C. Biggs
City Manager

I. SUMMARY

In late 2010/early 2011, as a result of the City's financial difficulties, amendments were negotiated to the MOUs of the bargaining units listed above. Those amendments, which were approved by the City Council, included changes to the employee leave redemption program which had been agreed to by the City's negotiating team and the bargaining units. However, subsequent to the amendments, a dispute arose between the City and the bargaining units as to the implementation of the amendments to the program. It became clear that the amended language regarding the program, as written, was ambiguous and contained conflicting dates. It also became clear that there had not truly been a meeting of the minds on the issue as both sides had a different interpretation of how the program was to work. Therefore, on January 18, 2012, the parties met and came to a resolution on this issue. The terms of the agreed-upon resolution to this dispute are contained in the attached side letter agreement, which has been signed by all involved parties.

II. RECOMMENDATION

RECEIVE and FILE.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

The current language contained within the MOU's between the City and the Association of Management Employees (AME), the Carson Professionals and Supervisors Association (CPSA) and the Association of Confidential Employees (ACE) regarding the employee leave redemption program has become a point of contention between the City and the bargaining units, as each side interprets the

language differently. Clearly, the language, as written, is ambiguous and contains conflicting dates. On January 18, 2012, the City met with representatives of the aforementioned employee associations to clarify the language contained in current amended MOU's. The City and the employee associations successfully negotiated language which clarifies the current and future use of the employee leave redemption program. The terms of the agreed-upon resolution to this dispute are contained in the attached side letter agreement, which has been signed by all involved parties.

V. FISCAL IMPACT

If all employees were to cash out in the remaining 5 months of this fiscal year, the maximum cost to the City would be \$412,000.00. Should this occur, there are sufficient funds anticipated to be available from a higher than budgeted fund balance as of the fiscal year which ended on June 30, 2011, and due to a reduction in the need to reserve 50% of this amount as a compensated absences reserve as of fiscal year end June 30, 2012.

This approach to resolving this issue is consistent with the City council's recently adopted Financial Principles and Objectives in that a one-time expenditure will be funded from one-time funds.

VI. EXHIBITS

1. Side Letter Agreement. (pgs. 3-4)

Prepared by: Jackie Acosta, Administrative Services General Manager

TO:Rev091911

Reviewed by:

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|-------------------------|----------------------|
| City Clerk | City Treasurer |
| Administrative Services | Development Services |
| Economic Development | Public Services |

Action taken by City Council

Date_____ Action_____




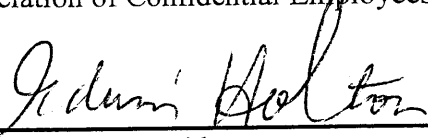
CITY OF CARSON

SIDE LETTER AGREEMENT BETWEEN
THE EMPLOYEE RELATIONS OFFICER OF THE CITY OF CARSON AND
THE ASSOCIATION OF MANAGEMENT EMPLOYEES (AME),
THE CARSON PROFESSIONALS AND SUPERVISORS ASSOCIATION (CPSA)
AND THE ASSOCIATION OF CONFIDENTIAL EMPLOYEES (ACE)
REGARDING LEAVE REDEMPTIONS IN FY 2011/12

In late 2010/early 2011, amendments were negotiated to the MOUs of the bargaining units listed above. Those amendments, which were approved by the City Council, included changes to the Leave Redemption program which had been agreed to by the City's negotiating team and the bargaining units. However, subsequent to the amendments, it became clear that the amended language regarding the Leave Redemption program, as written, was ambiguous and contained conflicting dates. It also became clear that there had not truly been a meeting of the minds on the issue as both sides had a different interpretation of the how the program was to work. Therefore, on January 18, 2012, the parties met and came to a resolution on this issue. The resolution is detailed below.

- Employees in the bargaining units were permitted to redeem 100 hours of accrued leave between July 1, 2011 and December 31, 2011.
- Employees in the bargaining units may redeem 100 hours of accrued leave between January 1, 2012 and June 30, 2012.
- Employees in the bargaining units may redeem 100 hours of accrued leave between July 1, 2012 and June 30, 2013.
- All parties agree to move from a calendar year leave redemption program to a fiscal year leave redemption program, effective July 1, 2012.
- Starting with fiscal year 2012/13, employees may redeem 100 hours of accrued leave per fiscal year.
- The waiver of the leave accrual caps may be extended until December 31, 2012, for employees who took advantage of the both 100 hour cash out opportunities in fiscal year 2011/12, but are still above the leave accrual caps on June 30, 2012.
- To take advantage of the extension of the waiver of the leave accrual caps, an employee must have discussed, with their General Manager, a plan to reduce the leave balance overage, to the greatest extent possible, by June 30, 2012, including having taken advantage of both FY 2011/12 cash out opportunities. The plan should also include the use of the 100 hour cash out opportunity available after July 1, 2012, and the use of accrued leaves.
- Any employee who is below the leave accrual caps as of June 30, 2012, will not be eligible for the extension of the waiver of the leave accrual caps described above.

IT IS SO AGREED:

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| Association of Management Employees (AME)  Ky Truong, President | City of Carson David Biggs, City Manager |
| Carson Professionals and Supervisors Association (CPSA)  Ken Freschauf, President | City of Carson  Jackie Acosta, Employee Relations Officer & Administrative Services General Manager |
| Association of Confidential Employees (ACE)  Edwin Holton, President | City of Carson  Duane Munson, Human Resources Officer |
| City Employees Associates (CEA) Mary Neeper, Representative | |
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