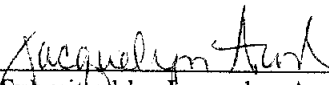


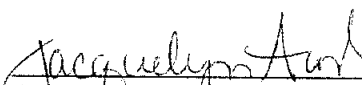


# City of Carson Report to Mayor and City Council

February 18, 2014  
New Business Consent

**SUBJECT: ADOPTION OF RESOLUTION NO. 14-015 APPROVING THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF CARSON AND THE CARSON PROFESSIONAL AND SUPERVISORS ASSOCIATION (CPSA) AND THE ASSOCIATION OF MANAGEMENT EMPLOYEES (AME); AND ADOPTION OF RESOLUTION NO. 14-016 APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARSON AND THE ASSOCIATION OF CONFIDENTIAL EMPLOYEES (ACE) FOR THE PERIOD OF JULY 1, 2013 THROUGH JUNE 30, 2014**

  
Submitted by Jacquelyn Acosta  
Acting City Manager

  
Approved by Jacquelyn Acosta  
Acting City Manager

## **I. SUMMARY**

At the direction of the City Council, the city's negotiating team has met and conferred in good faith, as required by State law, with representatives of the Carson Coalition of City Employees which is comprised of the Executive Boards from CPSA, AME and ACE. As a result of these meetings, the proposed Memoranda of Understanding (MOU) for the period July 1, 2013 through June 30, 2014 are being presented for your approval. The ACE membership has ratified this contract and it is anticipated that the rest of the Coalition will have ratified their MOU prior to the City Council meeting tonight.

## **II. RECOMMENDATION**

TAKE the following actions:

1. WAIVE further reading and ADOPT Resolution No. 14-015, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARSON AND THE CARSON PROFESSIONAL AND SUPERVISORS ASSOCIATION (CPSA) AND THE ASSOCIATION OF MANAGEMENT EMPLOYEES (AME) FOR THE PERIOD OF JULY 1, 2013 THROUGH JUNE 30, 2014."
2. WAIVE further reading and ADOPT Resolution No. 14-016, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARSON AND THE ASSOCIATION OF CONFIDENTIAL EMPLOYEES (ACE) FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2014."

**III. ALTERNATIVES**

None. The deal points for these MOUs were successfully negotiated at the direction of the City Council.

**IV. BACKGROUND**

Since February 2013, the city's negotiating team and the representatives negotiating on behalf of the Carson Coalition of City Employees have been meeting and conferring on a successor Memorandum of Understanding (MOU) for their respective bargaining units. As a result of those meetings, it was agreed that with the exception of ACE, all the other bargaining units would combine their agreements into one MOU. The following items constitute the major deal points contained in the successor MOUs being presented for approval tonight. Some additional, minor language changes have also been agreed to.

- Coalition-represented employees shall receive a 4% lump sum dollar amount to be calculated as a percentage of the member's new annual base salary after the 6% salary adjustment provided for the elimination of the Employer Paid Member Contributions ("EPMC") has been implemented. Lump sum payment to be paid the pay period following the implementation of the elimination of the EPMC.
- Elimination of all Employer Paid Member Contributions ("EPMC") on behalf of represented employees.
  - For current represented employees entitled to the 3% @ 60 retirement formula, the employee contribution is 8%, of which the employee currently pays 1% and the City pays the additional 7% on behalf of the employee.
  - For current represented employees entitled to the 2% @ 55 retirement formula, the employee contribution is 7%, of which the employee currently pays 2% and the City pays the additional 5% on behalf of the employee.
  - For represented employees hired after the enactment of PEPR effective January 1, 2013, those employees deemed "classic members" by CalPERS are entitled to the 2% @ 55 retirement formula, of which the employee currently pays 2% and the City pays the additional 5% on behalf of the employee. Those employees deemed "new members" by CalPERS are entitled to the 2% @ 62 retirement formula, of which the employee pays the full member contribution currently at 6.25%.
- Based upon the above, the City shall eliminate EPMC for those employees

entitled to the 3% @ 60 retirement formula and 2% @ 55 retirement formula. In exchange for the elimination of EPMC for all represented members and expressly contingent thereon, the City will provide a 6% salary adjustment to all represented members. The payment of member contributions is a "pre-tax" payment from the employee's paycheck. The implementation of the 6% salary adjustment and the associated elimination of the EPMC will not be retroactive and will be effectuated as soon as the applicable programming changes to the payroll system are completed.

- Effective January 1, 2014, the City shall increase the monthly health allowance to \$1,435.00 per month, which is again based on the CalPERS highest full family HMO rate for the L.A. Region. The change in monthly health allowance has already been implemented.
- The cafeteria cap for the use of excess monies shall be one hundred fifty-five dollars (\$155.00) per month for all employees regardless of the number of dependents.
- Effective upon the adoption of the MOU, employees electing to discontinue or not electing health insurance coverage shall receive a medical opt out of 75% of the lowest 2-party premium available to employees to be placed into a City-sponsored deferred compensation plan credited to the employee. Employees that currently receive a higher medical opt out than 75% of the lowest 2-party premium will be grandfathered.
- The City shall engage an independent consultant to conduct a salary and total compensation survey of comparable contract cities of similar size and organizational structure to the City of Carson. This survey shall be for information purposes only for developing proposals for a successor MOU for FY 2014/15 and beyond. Coalition to meet and confer over process for city-wide salary and benefit study and to negotiate over parameters and implementation (i.e. comparable cities, benchmark positions, career families, y-rating).
- MOU shall be revised to create a longevity pay tier at 25 years in place of the existing one at 30 years to match what was provided to other units. The 25-year longevity pay tier will be effective July 1, 2013.
- The Confidential Unit MOU shall be revised to remove the Council Field Representative positions from the bargaining unit as the positions are unrepresented, at-will positions. Effective upon the adoption of the MOU, the City shall provide a deferred compensation match to ACE-represented employees as follows: \$600.00 for Senior Clerk, Division Secretary, Administrative Secretary, HR Specialist, HR Assistant, Senior HR

Specialist, and Deputy City Clerk classifications, \$1,000.00 for Principal Administrative Analyst, Senior Risk Management, HR Analyst, and Senior HR Analyst classifications, and \$1,500.00 for the Executive Assistant classification.

- Include 2% @ 62 formula and applicable contract provisions.
- City to provide laid off employees severance pay and medical benefits in exchange for release of all claims. Severance pay is calculated on the basis of thirty hours (30) severance pay for each year of service with a minimum benefit of 173.33 hours pay and a maximum of 520 hours pay. COBRA medical benefit premiums shall be reimbursed on a pro rata basis equivalent to the number of work days credited.

Staff would like to acknowledge and thank the Carson Coalition of City Employees' negotiating team for the significant amount of time and effort that has been put forth in this process in order to achieve this collective bargaining agreement, as well as the cooperative and courteous manner in which all meet and confer sessions were conducted. Finally, staff would like to thank all Coalition employees for ratifying this MOU and for their patience as we worked through these lengthy negotiations.

**V. FISCAL IMPACT**

The annual cost for FY 2013/14 related to the adoption of the ACE MOU is approximately \$80,670.00 and the cost for the adoption of the CPSA/AME MOU is approximately \$351,398.00.

**VI. EXHIBITS**

1. CPSA/AME MOU covering the period of July 1, 2013 through June 30, 2014. (To be sent under separate cover)
2. ACE MOU covering the period of July 1, 2013 through June 30, 2014. (To be sent under separate cover)

Prepared by: Jackie Acosta, Acting City Manager

TO: Rev 06-19-2013

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

**Action taken by City Council**

Date \_\_\_\_\_ Action \_\_\_\_\_

\_\_\_\_\_