




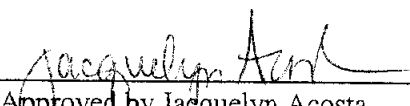
City of Carson

Report to Mayor and City Council

March 18, 2014
New Business Consent

SUBJECT: ADOPTION OF RESOLUTION NO. 14-017 APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF CARSON AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES UNION (AFSCME), COUNCIL 36, LOCAL 809, FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2016


Submitted by Bob Blackwood
Interim Human Resources Officer


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 American Federation of State, County and Municipal Employees Union (AFSCME), Council 36, Local 809, which currently represents 194 full-time and one classified part-time employees. As a result of these meetings, a proposed Memorandum of Understanding (MOU) covering the three-year period July 1, 2013 through June 30, 2016, is presented for Council's approval. The deal points included in this MOU have been ratified by the AFSCME membership.

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 14-017, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARSON AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES UNION (AFSCME), COUNCIL 36, LOCAL 809, FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2016."

III. ALTERNATIVES

None. The deal points for this MOU were successfully negotiated at the direction of the City Council.

IV. BACKGROUND

Since January 2013, the city's negotiating team and the AFSCME negotiating team have been meeting and conferring on a successor Memorandum of Understanding (MOU). The following items constitute the major deal points contained in the new MOU being presented for approval tonight. Some minor language changes and no cost items have also been agreed to.

- FY 2013/14: 2.5% COLA retro to June 22, 2013, and a 1% lump sum to be

paid on or before April 17, 2014, and after factoring all salary increases due for FY 2013/14.

- FY 2014/15: 2.5% COLA and a \$400.00 salary increase effective June 21, 2014.
- FY 2015/16: 2.5% COLA effective June 20, 2015.
- Delete furlough language from MOU.
- Eliminate Professional Development Allowance beginning FY 2014/15 in exchange for the \$400.00 salary increase referenced above for all represented members employed as of the effective date of June 21, 2014.
- Effective upon the first day of the pay period immediately following the adoption of this MOU, the acting duty pay rate shall be at least ten percent (10%) more than the employee's prevailing rate.
- The City shall no longer permit payroll check advances.
- Effective January 1, 2014, the City shall increase the monthly health allowance to \$1,435.00 per month, which is based on the CalPERS highest full family HMO rate for the L.A. Region. The change in the monthly health allowance has already been implemented. Effective the second month following adoption of this MOU, 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 January 1, 2015, the City shall pay the highest full family HMO premium for the L.A. Region up to a cap of 7.5% over the January 1, 2014, allowance, with the \$155.00 cafeteria cap still in effect.
- Effective January 1, 2016, the City to pay the highest full family HMO premium for the L.A. Region up to a cap of 7.5% plus any cap percentage left over from the prior year not to exceed 15% total, with the \$155.00 cafeteria cap still in effect.
- Effective the month following 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.
- Elimination of all Employer Paid Member Contributions ("EPMC") on behalf of represented employees, effective March 15, 2014. 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 be effective March 15, 2014.

- Deferred compensation - City to match employee contributions up to \$250.00 for calendar year 2014.
- Deferred compensation - City to match employee contributions up to \$500.00 for calendar year 2015.
- City to provide laid off employees severance pay and medical benefits in exchange for a 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. Medical and dental benefits will be provided through the regular insurance and/or COBRA reimbursement for the time period equivalent to the number of days of the severance pay.

Staff would like to acknowledge and thank the AFSCME 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 AFSCME full-time and classified part-time 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 AFSCME MOU is approximately \$700,677.00.

VI. EXHIBITS

1. AFSCME MOU covering the period July 1, 2013 through June 30, 2016. (To be sent under separate cover)

Prepared by: Elvia Parra, Acting Senior Human Resources Analyst

TO: Rev06-19-2013

Reviewed by:

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

Action taken by City Council	
Date _____	Action _____
