



CITY COUNCIL AGENDA STATEMENT



December 18, 2018

File ID: 18-0544

TITLE

- A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA (1) APPROVING A MEMORANDUM OF UNDERSTANDING (“MOU”) BETWEEN THE CITY OF CHULA VISTA AND THE CHULA VISTA MID-MANAGERS/PROFESSIONAL ASSOCIATION/SEIU LOCAL 221 (“MM/PR”), RELATED TO COMPENSATION AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT AND (2) AUTHORIZING THE CITY MANAGER, AS SET FORTH HEREIN, TO EXECUTE THE AFOREMENTIONED MOU AND ANY ADDITIONAL DOCUMENTS WHICH MAY BE NECESSARY OR REQUIRED TO IMPLEMENT SAID MOU
- B. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE AMENDED COMPENSATION SUMMARY FOR UNREPRESENTED EMPLOYEES, INCLUDING AUTHORIZATION FOR THE MAYOR TO EXECUTE ANY NECESSARY DOCUMENTS TO IMPLEMENT SAID AMENDED COMPENSATION SUMMARY
- C. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING THE COMPENSATION SCHEDULE AND CLASSIFICATION PLAN TO REFLECT THE ADDITION AND DELETION OF VARIOUS POSITION TITLES AND AMENDING THE AUTHORIZED POSITION COUNT IN THE PUBLIC WORKS AND FIRE DEPARTMENTS WITH A NET INCREASE IN AUTHORIZED STAFFING
- D. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE REVISED FISCAL YEAR 2018-2019 COMPENSATION SCHEDULE EFFECTIVE JULY 6, 2018, AS REQUIRED BY CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5
- E. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE REVISED FISCAL YEAR 2018-2019 COMPENSATION SCHEDULE EFFECTIVE AUGUST 17, 2018, AS REQUIRED BY CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5
- F. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE REVISED FISCAL YEAR 2018-2019 COMPENSATION SCHEDULE EFFECTIVE DECEMBER 21, 2018, AS REQUIRED BY CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5
- G. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE REVISED FISCAL YEAR 2018-2019 COMPENSATION SCHEDULE EFFECTIVE JANUARY 4, 2019, AS REQUIRED BY CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 570.5

RECOMMENDED ACTION

Council adopt the resolutions.

SUMMARY

The Memorandum of Understanding (“MOU”) between the City of Chula Vista and the Chula Vista the Chula Vista Mid-Managers/Professional Association, SEIU Local 221 (“MM/PR”), expired June 30, 2018. During the past several months, negotiating teams representing MM/PR and the City have worked collaboratively toward the development a mutually beneficial MOU. An agreement was reached on the term of the MOU, salary adjustments, reduction and elimination of taxable cash options in lieu of health benefits dependent on hire date, and retirement normal cost-sharing. Staff also recommends that these salary and benefit adjustments be extended to unrepresented Mid-Managers and Professionals.

Additionally, in an effort to address the needs of various departments and the City's workforce, the Human Resources Department, in conjunction with the affected departments, is proposing the addition and deletion of certain classifications and the elimination of salary steps below the State's minimum wage for various unclassified hourly positions.

Staff is also recommending approval of three revised Fiscal Year 2018-2019 Compensation Schedules updated to reflect: (1) the correct salary for City Manager effective July 6, 2018 and August 17, 2018; (2) the negotiated salary adjustments for employees represented by the MM/PR and unrepresented Mid-Managers and Professionals; the proposed position changes, and salary adjustments as well as changes in the State's minimum wage law effective December 21, 2018; and (3) negotiated salary adjustments for employees represented by Local 2180, International Association of Fire Fighters (“IAFF”) effective January 4, 2019.

ENVIRONMENTAL REVIEW

Environmental Notice

The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Environmental Determination

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

1. Memorandum of Understanding between the City of Chula Vista and the Chula Vista the Chula Vista Mid-Managers/Professional Association, SEIU Local 221

The Memorandum of Understanding between the City of Chula Vista and the Chula Vista the Chula Vista Mid-Managers/Professional Association, SEIU Local 221, expired June 30, 2018. During the past several months, negotiating teams representing MM/PR and the City have worked collaboratively toward the development a mutually beneficial MOU.

The City and MM/PROF have met and conferred in good faith, as required by the Meyers-Milias-Brown Act (Govt. Code Section 3500 et. seq.; “MMBA”) and reached the agreement on terms of a successor MOU, the MOU term (to expire June 30, 2020), salary adjustments, “normal cost” pension sharing, and the reduction and elimination of taxable cash options in lieu of health benefits dependent on hire date. Below is a summary of the main terms reached under the agreement:

1. Term and Effect: December 18, 2018 to June 30, 2020
2. Salary Adjustments:
 - 3% effective the beginning of the pay period following ratification by MM/PROF and approval by City Council of the MOU via resolution in open session. For positions identified in Appendix C of the proposed MOU, their salary will be adjusted (in the amount stated in the appendix) to bring them to the 50th Quartile.
 - 2% in the first full pay period of July, 2019.
3. Retirement: Employees in Tier 1 or 2 CalPERS pension program will contribute 50% cost sharing the first full pay period of June 2020. Tier 3 employees, pursuant to PEPRA, currently pay 50% of normal cost.
4. Cafeteria Benefits
 - No taxable cash option for new employees hired on or after January 1, 2019.
 - Maximum cash out for current employees reduced to \$10,764 for CY2019 and \$9,600 for CY2020.
5. One additional Floating Holiday per year for FY 2019 and 2020.

The proposed salary and benefit enhancements were ratified by a majority of the MM/PROF membership on November 30, 2018.

2. Unrepresented Mid-Managers, Professionals and Confidential Employees

The City workforce consists of both represented and unrepresented employees. It has long been a practice of the City (with few exceptions) to update the compensation and benefit summary for unrepresented employees (with the same or similar benefits provided to represented employees) after the ratification of the respective represented bargaining units’ MOU. The affected unrepresented employees are in the

following employee groups: Confidential, Confidential Mid-Managers, Confidential Professional, Unclassified Mid-Managers, and Unclassified Professional.

Salary and benefit adjustments for these unrepresented employees are the following:

1. Salary Adjustments:
 - 3% effective the pay period beginning December 21, 2018.
 - 2% in the first full pay period of July, 2019.

2. Retirement: Employees in Tier 1 or 2 CalPERS pension program will contribute 50% cost sharing the first full pay period of June 2020. Tier 3 employees, pursuant to PEPR, currently pay 50% of normal cost.

3. Cafeteria Benefits
 - No taxable cash option for new employees hired on or after January 1, 2019.
 - Maximum cash out for current employees reduced to \$10,764 for CY2019 and \$9,600 for CY2020.

The additional benefit of an additional floating holiday afforded to MM/PR and unrepresented Mid-Managers and Professionals will be provided to Executive and Senior Managers.

3. Classification Plan Changes

Civil Service Rule 1.02(A), which applies to the City’s classified positions, provides for necessary reviews and changes so that the City’s classification plan is kept current, and that changes in existing classes, the establishment of new classes, or the abolition of classes are properly reflected in the classification plan.

In an effort to address the needs of various departments and the City’s workforce, the Human Resources Department, in conjunction with the affected departments, is proposing the certain position changes. The following identifies the department, affected positions and proposed changes.

Department	Position Title	FTE
Public Works	Locksmith	-1.00
	Carpenter	1.00
	Graffiti Abatement Coordinator	-1.00
	Public Works Supervisor	1.00
Fire	Fire Captain	1.00
Total City-Wide Position Changes (Net Increase/Decrease)		1.00

Staff is also recommending the addition of the Senior Police Technology Specialist position title and the elimination of the inactive position titles of Reserve Officer and Graffiti Abatement Coordinator.

4. State Minimum Wage Law

In September 2013, the California Legislature enacted legislation signed by the Governor of California, which included raising the minimum wage to \$12.00 per hour effective January 1, 2019. To ensure compliance with the State's minimum wage law, staff is proposing the elimination of: the C and D Step salaries (currently \$11.06 and \$11.61 per hour) for the Seasonal Assistant classification; the C and D Step salaries (currently \$11.03 and \$11.58 per hour) for the Recreation Aide classification; the A, B and C Step salaries (currently \$11.00, \$11.07 and \$11.63 per hour) for the Clerical Aide and Library Aide classifications; the A and B Step salaries (currently \$11.22 and \$11.78) for the Police Cadet classification; the A and B step salaries (currently \$11.32 and \$11.91 per hour) for the Animal Care Aide classification; and the A Step salary (currently \$11.45 per hour) for the Recreation Leader I classification effective December 21, 2018.

Position Title	PCN	Bargaining Group	Hourly Rate				
			A Step	B Step	C Step	D Step	E Step
Seasonal Assistant	0231	Unclassified, Hourly	--	--	--	--	\$12.00
Recreation Aide	7605	Unclassified, Hourly	--	--	--	--	\$12.16
Clerical Aide	0241	Unclassified, Hourly	--	--	--	\$12.21	\$12.82
Library Aide	7181	Unclassified, Hourly	--	--	--	\$12.21	\$12.82
Police Cadet	5427	Unclassified, Hourly	--	--	\$12.37	\$12.98	\$13.63
Animal Care Aide	5316	Unclassified, Hourly	--	--	\$12.55	\$13.20	\$13.90
Recreation Leader I	7609	Unclassified, Hourly	--	\$12.02	\$12.63	\$13.26	\$13.92

5. Compensation Schedule Requirement

California Code of Regulations, Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets certain requirements and be approved by the governing body in accordance with the requirements of the applicable public meeting laws. The revised Fiscal Year 2018-2019 Compensation Schedule ("Compensation Schedule") was last approved by the City Council at their meeting of August 7, 2018. This item ensures continued compliance with California Code of Regulations, Title 2, Section 570.5, by ensuring the City has an up-to-date, publicly approved Compensation Schedule.

6. Resolutions

Approval of Resolution A will approve the MOU between the City of Chula Vista and the Chula Vista Mid-Managers/Professional Association/SEIU Local 221 and authorize the City Manager to execute the MOU and any additional documents which may be necessary or required to implement said MOU.

Approval of Resolution B will approve the Amended Compensation Summary for Unrepresented Employees, including authorization for the mayor to execute any necessary documents to implement said Amended Compensation Summary.

Approval of Resolution C will approve the addition and deletion of various position titles and amend the authorized position count in the Public Works and Fire Departments with a net increase in authorized staffing.

Approval of Resolutions D and E will approve the revised Compensation Schedule effective July 6, 2018 and August 17, 2018, respectively, to reflect the correct salary for City Manager. While the City Manager was paid the correct salary, the July 6, 2018 Compensation Schedule approved by Council on June 12, 2018, inadvertently reflected a two percent (2%) salary adjustment.

Approval of Resolution F will approve the revised Compensation Schedule effective December 21, 2018, to reflect the: (1) negotiated salary adjustments for employees represented by the Mid-Managers/Professional Association, SEIU Local 221; (2) salary adjustments for unrepresented Mid-Managers and Professionals; (3) salary range adjustments for Seasonal Assistant, Recreation Aide, Clerical Aide, Library Aide, Police Cadet, Animal Care Aide, and Recreation Leader I; (3) the addition of the Senior Police Technology Specialist position title and (4) deletion of the Reserve Officer and Graffiti Abatement Coordinator position title.

Approval of Resolution G will approve the revised Compensation Schedule effective January 4, 2019, to reflect the negotiated salary adjustments for positions represented by the International Association of Fire Fighters, Local 2180 (IAFF).

DECISION-MAKER CONFLICT

Staff has determined that the action contemplated by this item is ministerial, secretarial, manual, or clerical in nature and, as such, does not require the City Council members to make or participate in making a governmental decision, pursuant to California Code of Regulations Title 2, section 18702.4(a). Consequently, this item does not present a conflict under the Political Reform Act (Cal. Gov't Code § 87100, et seq.). Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. The position changes and salary adjustments support the City-wide strategic goal of Operational Excellence by providing more accurate position titles that better reflect the needs of the City's workforce and salaries that attract and retain quality employees. Furthermore, approval of the revised Fiscal Year 2018-2019 Compensation Schedules and its posting on the City's internet website supports the goal of Operational Excellence as it enhances disclosure and transparency of employee compensation and, as a result, fosters public trust through an open and ethical government.

CURRENT-YEAR FISCAL IMPACT

The proposed MOU changes for Mid-Managers/Professional represented and Unrepresented Mid-Managers, Professionals and Confidential Employees would increase the City's annual ongoing operating

costs in fiscal year 2019 by an estimated net \$208,536 and \$113,092 respectively. These amounts are broken out between the funds as follows:

MID-MANAGERS/PROFESSIONAL	
FUND	FY2019 IMPACT
General Fund	\$153,795
Advanced Life Support Program	\$2,873
Federal Grants	\$2,136
Chula Vista Housing Authority	\$10,369
Central Garage Fund	\$2,176
Development Services Fund	\$37,187
TOTAL ALL FUNDS	\$208,536

UNREPRESENTED/CONFIDENTIAL EMPLOYEES	
FUND	FY2019 IMPACT
General Fund	\$63,723
Federal Grants	\$49,369
TOTAL ALL FUNDS	\$113,092

During the budget development process, staff included a projected 2% wage inflation which is reflected in the final fiscal year 2019 adopted budget. The 3% increase that is within the agreement will only apply to approximately half of the remaining fiscal year, which will result in a no anticipated budget impact related to the fiscal year 2019 salary increases.

The position changes within the Public Works Department are estimated to total a net cost of \$385. There is anticipated salary savings projected in the department to absorb the additional cost, resulting in no net impact to the General Fund. The addition of 1.00 FTE Fire Captain in the Fire Department has no net impact to the General Fund.

The changes required as part of the State’s new minimum wage law will not have a net impact on the General Fund. Affected departments will absorb the cost increase within existing budgeted hourly wages.

ONGOING FISCAL IMPACT

The proposed salary changes for represented Mid-Managers/Professionals and Unrepresented Mid-Managers and Professional Employees would increase the City’s annual ongoing operating costs in fiscal year 2019 and fiscal year 2020 and this is detailed in the following tables. The bulk of ongoing operating costs is anticipated to be a General Fund Impact.

MID-MANAGERS/PROFESSIONAL

FUND	FY2019 IMPACT	FY2020 IMPACT
General Fund	\$153,795	\$394,028
Advanced Life Support Program	\$2,873	\$8,697
Federal Grants	\$2,136	\$6,760
Chula Vista Housing Authority	\$10,369	\$28,005
Central Garage Fund	\$2,176	\$6,896
Development Services Fund	\$37,187	\$111,978
TOTAL ALL FUNDS	\$208,536	\$556,363

UNREPRESENTED/CONFIDENTIAL EMPLOYEES

FUND	FY2019 IMPACT	FY2020 IMPACT
General Fund	\$63,723	\$175,117
Federal Grants	\$49,369	\$152,162
TOTAL ALL FUNDS	\$113,092	\$327,279

The fiscal impacts related to the proposed MOU changes scheduled for fiscal year 2020 will be incorporated into the budgets for that fiscal year.

ATTACHMENTS

1. Memorandum of Understanding (MOU) between the City of Chula Vista and the Chula Vista Mid-Managers/Professional Association, SEIU 221 Local 221 (MM/PROF/SEIU Local 221), December 18, 2018 - June 30, 2020
2. Amended Compensation Summary for Unrepresented Employees
3. Revised Fiscal Year 2018-2019 Compensation Schedule Effective July 6, 2018
4. Revised Fiscal Year 2018-2019 Compensation Schedule Effective August 17, 2018
5. Revised Fiscal Year 2018-2019 Compensation Schedule Effective December 21, 2018
6. Revised Fiscal Year 2018-2019 Compensation Schedule Effective January 4, 2019

Staff Contact: Courtney Chase