



# City of Chula Vista

## Staff Report

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**File#:** 16-0289, **Item#:** 5

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RESOLUTION NO. 2016-103 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING VARIOUS LETTERS OF UNDERSTANDING (INVOLVING UNIFORM ALLOWANCES AND REPORTABLE COMPENSATION, AS DEFINED BY CALPERS) WITH THE CITY'S BARGAINING UNITS, AS RECOMMENDED BY THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM OFFICE OF AUDIT SERVICES AND AS REQUIRED BY CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 571(b) (1) (A) (B)

### **RECOMMENDED ACTION**

Council adopt the resolution.

### **SUMMARY**

In 2013, the California Public Employees' Retirement System (CalPERS) Office of Audit Services (OAS) conducted a public agency review of the City of Chula Vista to examine City compliance with applicable sections of the California Government Code, California Code of Regulations, and the City contract with CalPERS.

As a result of OAS' findings and recommendations and in order to comply with California Code of Regulations (CCR), Title 2, Section 571(b) (1) (A)(B) which requires that reportable compensation, as defined by CalPERS, be contained in a written labor policy or agreement that is approved and adopted by the employer's governing body, staff is submitting all Letters of Understanding (regarding uniform allowances and reportable compensation, as defined by CalPERS) with the City's various bargaining units for adoption by the City Council.

### **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 because it will not result in a physical change in the environment; 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 RECOMMENDATION**

Not Applicable

## **DISCUSSION**

In 2013, the California Public Employees' Retirement System (CalPERS) Office of Audit Services (OAS) conducted a public agency review of the City of Chula Vista to examine City compliance with applicable sections of the California Government Code, California Code of Regulations, and the City contract with CalPERS.

As part of their review, OAS found that the City should amend current Memorandums of Understanding by adopting specific language and processes as it relates to employee uniform allowances. The City responded by meeting with all impacted labor groups and reached agreement on Letters of Understanding to address OAS' finding.

Additionally, California Code of Regulations (CCR), Title 2, Section 571(b) (1) (A)(B) requires that reportable compensation, as defined by CalPERS, be contained in a written labor policy or agreement and such policy or agreement be duly approved and adopted by the employer's governing body in accordance with the requirements of applicable public meetings laws. Therefore, CalPERS is requiring all Letters of Understanding that address reportable compensation be adopted by the City Council to meet the requirements of the CCR, Title 2, Section 571(b) (1) (A) (B).

This action meets the direction from CalPERS to have City Council approve said Letters of Understanding, which are attached to this Staff Report.

## **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. Approval of these Letters of Understanding supports the City-wide strategic 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**

There is no fiscal impact associated with this action.

## **ONGOING FISCAL IMPACT**

Not applicable.

## **ATTACHMENTS**

- (1) Letter of Understanding between the City of Chula Vista and SEIU Local 221/Chula Vista Employees Association - Uniform Cleaning Allowance
- (2) Letter of Understanding between the City of Chula Vista and SEIU Local 221/Chula Vista

Employees Association - Fire Mechanic Premium

- (3) Amendment to the December 2, 2014 MOU between the City of Chula Vista and LOCAL 2180 International Association of Fire Fighters - Uniform Cleaning Allowance
- (4) Letter of Understanding between the City of Chula Vista and Chula Vista Police Officer's Association - Uniform Cleaning Allowance
- (5) Letter of Understanding between the City of Chula Vista and Chula Vista Police Officer's Association - Special Assignment Pay
- (6) Letter of Understanding between the City of Chula Vista and Western Council of Engineers - Special Assignment Pay

*Staff Contact: Courtney Chase*