



City of Chula Vista

Staff Report

File#: 16-0379, **Item#:** 7.

RESOLUTION NO. 2016-192 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A LETTER OF UNDERSTANDING (INVOLVING UNIFORMS AND REPORTABLE COMPENSATION, AS DEFINED BY CALPERS) WITH SEIU LOCAL 221/CHULA VISTA EMPLOYEES ASSOCIATION, AS REQUIRED BY THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM OFFICE OF AUDIT SERVICES AND 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' review 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 a Letter of Understanding (regarding uniforms and reportable compensation, as defined by CalPERS) between the City and SEIU Local 221/Chula Vista Employees Association (SEIU 221/CVEA) 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 needed to amend current Memorandums of Understanding by adopting specific language and processes as it relates to employee uniform allowances.

Furthermore, 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.

The City responded by meeting with all impacted labor groups and reached agreement on Letters of Understanding to address OAS' finding and Letters of Understanding were subsequently approved by the City Council at their June 7, 2016 meeting.

CalPERS later notified staff that the Letter of Understanding between the City and SEIU 221/CVEA, while addressed the conditions of payment for cleaning and maintenance of uniforms, did not include an upper limit reimbursement. Staff has since reached agreement with SEIU 221/CVEA on a second Letter of Understanding that addresses CalPERS' additional requirement.

This action meets the direction from CalPERS to have City Council approve said Letter of Understanding, to meet the requirements of the CCR, Title 2, Section 571(b) (1) (A) (B).

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 this Letter 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.

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ATTACHMENTS

Letter of Understanding between the City of Chula Vista and SEIU Local 221/Chula Vista Employees Association - Uniforms

Staff Contact: Erin Dempster