

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 8/7/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of two Side Letter Agreements with the Corona Firefighters Association and Resolution No. 2019-077 City of Corona Position Library and Compensation Plan.

RECOMMENDED ACTION:

That the City Council:

1. Approve Side Letter of Agreement Modifying Article XII, Section 13.1.5, and Section 16.3 of the 2018-2020 Memorandum of Understanding between the City of Corona and the Corona Firefighters Association.
2. Adopt Resolution No. 2019-077 approving the City of Corona Position Library and Compensation Plan and repealing prior Plans, including Resolution No. 2019-048.
3. Approve Side Letter of Agreement Modifying Section 15.4 of the 2018-2020 Memorandum of Understanding between the City of Corona and the Corona Firefighters Association.
4. Delegate authority to the City Manager, or his designee, to execute the Acknowledged Termination of 8/7/19 Planned Position Side Letter (Section 15.4) when the number of planned vacancies returns to the maximum of four personnel to staff one full Engine Company per shift.

ANALYSIS:

After meeting and conferring in good faith, consistent with the requirements of the California Meyers-Millias-Brown-Act (MMBA), the City and the Corona Firefighters Association (CFA) reached agreement for a successor Memorandum of Understanding (MOU) approved by the City Council on March 21, 2018. Revisions to Article XII - Salary, Section 13.1.5 - Acting 40 Hour Positions, Section 16.3 - Term of Agreement, and Section 15.4 - Planned Position Vacancy of the MOU are now recommended. As explained further below, the revisions to these sections of the CFA MOU are being presented in two

separate side letters because the proposed revisions to Section 15.4 are temporary in nature and the intent is to terminate that side letter prior to the expiration of the MOU.

Compensation Range Increase, 40-Hour Position, and Term of Agreement Side Letter (Article XII, Section 13.1.5, Section 16.3)

Effective the first full pay period following August 7, 2019, the top step of the compensation range for the positions of Fire Engineer, Firefighter/Paramedic, Firefighter, 40-Hour Fire Engineer, 40-Hour Firefighter/Paramedic and 40-Hour Firefighter shall be increased by approximately five percent (5%) by moving the maximum step ten (10) steps up on the City's salary grid. Additionally, effective the first full pay period following August 7, 2019, the base pay for all CFA employees who are in the positions of Fire Engineer, Firefighter/Paramedic, Firefighter, 40-Hour Fire Engineer, 40-Hour Firefighter/Paramedic and 40-Hour Firefighter and who are currently at the top step of the salary grid shall be increased by five percent (5%) by moving the employee's base pay ten (10) steps up on the City's salary grid. In exchange, the City and the Association agree the term of this MOU will be extended for one year from June 30, 2020 to June 30, 2021.

During the successor MOU negotiations in 2018, five special compensation pay items were converted from a percentage type pay to a flat dollar amount, while two special compensation pay items were converted to new position classifications. The new flat dollar amounts were based on unit average for each compensation type. The six compensation pay items that were converted to a flat dollar amount were HazMat Assignment Pay, Paramedic CQI Coordinator, Secondary Paramedic Pay, Secondary Paramedic Acting as Primary Paramedic, and Bilingual Pay. Primary Paramedic Pay of 12.5% and 40-Hour Assignment Pay of 15% were converted to new classifications.

The 2007-2017 MOU contained Section 13.2.1 for 40-Hour Assignment Pay that provided an additional 15% above base pay to CFA members working the positions of Firefighter, Fire Engineer, and Fire Captain when those positions receive 40-hour per week assignments on a regular or probationary basis, or as a modified duty accommodation resulting from a work-related injury or illness. With the creation of the 40-hour classifications for the ranks of Firefighter, Firefighter/Paramedic, Fire Engineer, and Fire Captain, Section 13.2.1 40-Hour Assignment Pay was eliminated since it was no longer needed.

The 2007-2017 MOU also contained Section 13.1 for acting pay consisting of the classifications in existence at the time. Section 13.1 Acting Pay was updated to include Section 13.1.5 to incorporate the new 40-hour positions noted above. Section 13.1.5 was needed to ensure members would continue to be eligible to receive 40-hour work schedules on a temporary basis. A 12-week limitation was included in the section capping the number of weeks a CFA member may be assigned to an acting 40-hour assignment. Although the inclusion of the 12-week limitation works in certain situations, it has created unintended operational consequences and impairs employee compensation specific to modified duty accommodations resulting from a work-related injury or illness.

It is not possible to forecast a maximum number of weeks needed for modified duty accommodations as it would vary on a case-by-case basis. Modified duty accommodations are driven by medical necessity, business necessity, and budgetary constraints. By removing the 12-week limitation, the side letter agreement clarifies the intent of creating new classifications that will also provide the operational flexibility needed for members acting in 40-hour positions resulting from work-related modified duty accommodations. Since the primary intent during the successor MOU negotiations was to transition away from percentage based special compensation, the elimination of the 12-week limitation for 40-hour assignments will address the unintended operational issues that have arisen.

Position Library and Compensation Plan

State regulations for public employers require disclosure of position classifications and corresponding compensation. In an effort to ensure compliance, and for even greater transparency, the City Council has previously adopted and updated the Position Library and Compensation Plan, a document which includes a list of all authorized employment positions for the City and their corresponding compensation ranges ("Plan").

The Plan provides added organizational efficiency and permits departments to continue streamlining operations without impacting services levels. Additionally, it allows members of the public to see what any given position, even those not currently filled, would be paid. To this end, it is important to note that this document is strictly a resource document of available employment positions, as the positions listed will not necessarily be budgeted or funded in any given fiscal year. A current list of full-time budgeted positions can be located on the City's website.

Revisions to the Plan are highlighted in green on the attached redline version. The top step of the compensation range for the positions of Fire Engineer, Firefighter/Paramedic, Firefighter, 40-Hour Fire Engineer, 40-Hour Firefighter/Paramedic and 40-Hour Firefighter have been increased ten (10) steps to be consistent with the revisions to the MOU presented for City Council consideration tonight. The revisions to the compensation ranges will become effective the first full pay period following City Council approval.

Temporary Planned Position Vacancy Reduction Side Letter (Section 15.4)

Section 15.4 of the current MOU provides that the City shall have "planned vacancies" equal to one full "Engine Company" (Captain; Engineer; 2 Firefighters) per shift (for a total of 12 planned vacancies over 3 shifts). The vacancies are filled with personnel working on overtime.

Currently, the Fire Department has six (6) Firefighter vacancies and anticipates two (2) retirements to occur before the end of the year. Recently, the department ran a recruitment to fill the six (6) vacancies. Rather than running another extensive recruitment towards the end of the year, CFA has agreed to temporarily reduce the number of planned

vacancies in Section 15.4 of the MOU so that two (2) additional Firefighters can be hired now. The plan would be to hire eight (8) firefighters as soon as possible, with two (2) “filling” those planned vacancies. As two (2) more retirements occur, those firefighters would be moved into permanent positions. The planned vacancies would go from two (2) down to one (1) down to normal as these two (2) retirements occur. This temporary reduction in the number of planned vacancies would save time and would help stabilize staffing over the next six (6) months in the Fire Department. Additionally, the temporary reduction in the number of planned vacancies for the elimination of the Squad Company language is no longer needed and is being eliminated.

Since the reduction in planned vacancies is temporary, it is recommended that the City Manager be delegated the authority to execute the Acknowledged Termination of 8/7/19 Planned Position Side Letter when the number of planned vacancies returns to the maximum of four personnel to staff one full Engine Company per shift, as the side letter will no longer be needed, and the MOU will return to its original form.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Approval of the agreement with CFA has an estimated net cost of ~~\$284,229~~ \$383,978 in Fiscal Year 2019-20 and ~~\$334,579~~ \$474,598 in Fiscal Year 2020-21. There is a revenue increase included, for the recommended changes, based on estimated mutual aid reimbursements. The Fire positions are budgeted in the General Fund. The temporary changes for the planned position vacancies will not have a net budgetary impact as overtime costs will be reduced while the planned vacancies are filled with regular full-time staff.

General Fund	FY 2019-20 (Pro-rated)		FY 2020-21		Totals	
Expenditures	\$ (301,294)	\$ (400,231)	\$ (354,667)	\$ (494,686)	\$ (655,961)	\$ (894,917)
Estimated Revenues	17,065	16,253	20,088	20,088	37,153	36,341
Net Total	\$ (284,229)	\$ (383,978)	\$ (334,579)	\$ (474,598)	\$ (618,808)	\$ (858,576)

GENERAL FUND		
Budget Workshop May 23, 2019 - Estimated Revenue Over Expenditures	\$ 152,247	\$ 152,247
Previously approved/revised budget adjustments (net) *	565,451	565,451
Current Revenue Over Expenditures	717,698	717,698
Appropriation Estimate - CFA Agreement	(301,294)	(400,231)
Revenue Estimate - CFA Agreement (Mutual Aid)	17,065	16,253
Revised Estimated Revenue Over Expenditures	\$ 433,469	\$ 333,720
Estimated Budget Balancing Measures Reserve - 06/30/19	26,124,592	26,124,592
Estimated FY 2019-20 Change in Budget Balancing Measures Reserve	433,469	333,720
Estimated Budget Balancing Measures Reserve - 06/30/20	\$ 26,558,061	\$ 26,458,312

* Approved through Council Action or other operational process.

ENVIRONMENTAL ANALYSIS:

Environmental review is not required. The proposed actions are not a project under the California Environmental Quality Act.

PREPARED BY: EDELIA EVELAND, HUMAN RESOURCES MANAGER

REVIEWED BY: DEAN DERLETH, CITY ATTORNEY

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: MICHELLE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: MITCHELL LANSDELL, ACTING CITY MANAGER

Attachments:

1. Side Letter of Agreement Modifying Article XII, Section 13.1.5, and Section 16.3 (Redline)
2. Side Letter of Agreement Modifying Article XII, Section 13.1.5, and Section 16.3 (Clean)
3. Position Library and Compensation Plan (Redline)
4. Resolution No. 2019-077, Exhibit "A" Position Library and Compensation Plan (Clean)
5. Side Letter of Agreement Modifying Section 15.4 (Redline)
6. Side Letter of Agreement Modifying Section 15.4 (Clean)