

RESOLUTION NO. 2018-60

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AUTHORIZING THE
CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF MARINA AND THE DEPARTMENT DIRECTORS INFORMAL
EMPLOYEES ASSOCIATION

WHEREAS, the existing Memorandum of Understanding between the City of Marina and the Department Directors Informal Employees Association expired on June 30, 2017; and

WHEREAS, the City of Marina and the Department Directors Informal Employees Association have met and conferred in good faith and have reached a tentative agreement to approve a new Memorandum of Understanding; and

WHEREAS, the term of the new Memorandum of Understanding will expire on June 30, 2019, and;

WHEREAS, the estimated cost of all salary and benefit adjustments in the MOU is approximately \$75,000 over the term of the two year agreement; and

WHEREAS, the cost of the proposed salary and benefit adjustments can be funded from on-going revenues from the General Fund.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Marina do hereby:

1. Author
ize the City Manager to execute a new Memorandum of Understanding between the City
of Marina and the Department Directors Informal Employees Association; and
2. Author
ize adjustments to the City Salary Schedule and Compensation Plan; and
3. Author
ize the Finance Director to make appropriate accounting and budgetary entries.

PASSED AND ADOPTED, by the City Council of the City of Marina at a regular meeting duly held on the 5th day of June 2018, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Morton, Brown, Delgado

NOES: COUNCIL MEMBERS: O'Connell

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ATTEST:

Bruce C. Delgado, Mayor

Anita Sharp, Deputy City Clerk

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MARINA AND
THE DEPARTMENT DIRECTORS INFORMAL EMPLOYEES ASSOCIATION
July 1, 2017-June 30, 2019

This Agreement is entered into by and between the City of Marina and the Department Directors Informal Employees Association effective July 1, 2017 and shall extend the current MOU through June 30, 2019. The parties agree to the following Terms and Conditions:

1. Term

A. Expires June 30, 2019

2. Salary

A. 2.5% salary increase effective the first full pay period after July 1, 2017.

B. 2.5% salary increase effective the first full pay period after July 1, 2018

3. Medical, Dental & Vision, Flexible Benefit Plan

A. Effective January 1, 2018 (the City shall pay medical health insurance premium per month as follows:

Health Plan	Employee Only	Employee + 1	Employee + 2 or more
PERSChoice (North)	\$363.25	\$701.50	\$914.05
PERSCare (North)	\$458.63	\$892.26	\$1,162.04
HMO Select	\$363.25	\$701.50	\$914.05
Blue Shield Access	\$543.85	\$1,062.70	\$1,384.00
PORAC	\$293.00	\$549.00	\$706.00

B. Effective January 1, 2018 the City shall pay Dental insurance premium per month as follows:

Dental Plan	Employee Only	Employee + 1	Employee + 2 or more
Premier Access	\$9.67	\$24.00	\$29.00

C. Effective January 1, 2018 the City shall pay vision insurance premium per month as follows:

Vision Plan	Employee Only	Employee + 1	Employee + 2 or more
Vision Service Plan	\$20.00	\$20.00	\$20.00

D. Flexible Benefit Plan: The City shall implement a Section 125 Flexible Benefit Plan for the members of the Association, as follow”

E. City shall provide an allowance of \$575 per month to each member for medical insurance and voluntary programs such as Dental insurance, Vision insurance and Long-Term Disability Insurance, Term Life Insurance, Medical Expense Reimbursement Account and Dependent Care Reimbursement account.

F. The allowance must be applied toward payment of monthly premium for the PERS Health plan, previously described to all members for members and their families except a member may decline coverage for the member and/or a member’s family if the member provides proof satisfactory to the City that the person for whom coverage is declined is covered under a qualifying group health insurance policy from another source.

- G. City shall offer Dental insurance, Vision insurance, Term Life insurance, Medical Expense Reimbursement and Dependent Care Reimbursement on a voluntary basis. At the members election, the cost of these benefits may be paid from any portion of the allowance described above or an offset to the members salary, if the combined cost of the benefits exceeds the allowance.
 - H. If the allowance is in excess of the cost of all benefits, the difference may be taken in cash. Any amounts taken in cash will be paid out in a bi-monthly payment. It is expressly understood that any future limit on the amount of cash and deferred compensation shall be subject to the meet-and-confer process.
 - I. City will provide a Medical Expense Reimbursement Account into which a member may pay any amount not to exceed \$2,160 annually (\$180 per month). A member may also pay into the Dependent Care Reimbursement Account which member may pay any amount not to exceed \$5,000 annually (\$416.66 per month). City shall prepare a Flexible Benefit Plan worksheet for distribution to all members, which shall reflect the premiums for each element of the plan.
 - J. City shall pay up to \$60.00 per member for the cost of setting up the Flexible Benefit Plan
 - K. City shall pay up to \$6.00 per member per month for the administrative fee Flexible Benefit Plan
 - L. As soon as administratively possible (following the meet and confer process with all bargaining groups) the City shall implement a Long Term Disability Plan. The City shall pay the premium of the Plan.
 - M. As soon as administratively possible (following the meet and confer process with all bargaining groups) the City shall increase the dental benefit cap from \$1,000 to \$2,000.
4. **Life Insurance:** City will provide on behalf of each Director \$100,000.00 life insurance coverage at a cost not to exceed \$45.00 per month.
5. **Retirement:** The City shall provide retirement benefits for each Director under the Public Employees' Retirement System (PERS), as follows:
- A. **Retirement Plans**
 - 1. For non-public safety Directors,
 - a. Tier 1 – CalPERS 2% @ 55 provided to all miscellaneous member employees hired prior to December 31, 2012 or considered Classic members.
 - b. Tier 2 – CalPERS 2% @ 62 plan will be provided to all miscellaneous members hired on or after January 1, 2013 who are new members as defined under the PEPRRA.
 - 2. For sworn public safety Directors,
 - a. Tier 1 – CalPERS 3% @ 50 provided to all members hired prior to December 31, 2012 or are considered Classic members.

- b. Tier 2 – CalPERS 2.7% @ 57 plan will be provided to all members hired on or after January 1, 2013 who are new members as defined under the PEPPRA

B. Contributions

1. Effective January 1, 2013 Tier 1 members will pay the full member contribution rate required by CalPERS
2. Effective January 1, 2013, Tier 2 members shall pay 50% of the normal cost of the retirement plan as identified annually by CalPERS. This contribution may change annually as required by the PEPPRA

6. Survivor Benefits

- A. The City will amend the PERS contract to include 1959 Survivors Benefit Level four for the Association. The employee cost will be \$2.00 per month.

7. Holiday Schedule

- A. For each member of the group the following holiday schedule shall apply
 - Martin Luther King Jr. Birthday (3rd Monday of January)
 - Presidents Day (3rd Monday of February)
 - Memorial Day (Last Monday of May)
 - Independence Day (July 4)
 - Labor Day (First Monday of September)
 - Veterans Day (November 11)
 - Thanksgiving Day and the next day (4th Thursday and next Friday of November)
 - Winter Break (December 24 – January 1)
- B. When one of the above designated holidays falls on a weekend, then the weekday nearest that day will be considered as that holiday

8. Leaves: Leave for Directors shall accrue and be administered, as follows:

- A. **Administrative Leave:** Directors shall receive two hundred (200) hours' yearly Administrative Leave, earned in a lump sum on July 1st of each year. Unused Administrative Leave to be paid at current salary upon termination of employment to a maximum of one hundred and sixty (160) hours.

The City will pay each Director at their request a maximum amount of one hundred eighty (180) hours of administrative leave each fiscal year, at the Director's individual regular rate of pay.

- B. **Personal Leave Time:** In lieu of the accrual of vacation time and sick leave as described in the City Personnel Rules, Directors shall accrue Personal Leave Time as described in this paragraph. All vacation time previously accrued and not taken by a Director shall be converted to Personal Leave Time. Vacation time shall be accrued as described in the City Personnel Rules and Sick Leave shall be accrued at the rate of 3.6923 hours per pay period (12 days per year) all of which shall be credited as Personal Leave Time to a maximum of 960 hours. Upon resignation, a Director shall receive

compensation for unused Personal Leave Time to a maximum of 300 hours. Upon retirement, a Director shall receive compensation for unused Personal Leave Time to a maximum of 800 hours.

The City will pay each Director at their request a maximum amount of eighty (80) hours of personal leave each fiscal year, at the Director's individual regular rate of pay.

C. **Emergency Compensation:** For Personal Leave Time. Upon a written request certifying and explaining a health-related emergency, the City Manager may authorize a Director to receive compensation for Personal Leave Time for a maximum of 80 hours.

D. **Sick Leave:** All Sick Leave previously credited to a Director shall remain available for use as permitted by the City Personnel Rules until any such balance is exhausted. All future Sick Leave shall accrue and be administered as described in sub-paragraph B. above except that at retirement, 35% of any hours remaining credited to a Director, to a maximum of 504 hours, will be paid to a Director.

9. **Resignation:**

A. Upon resignation, the maximum number of hours for which a Director may receive compensation under subparagraphs 8B and 8D above shall be 300 hours. Upon retirement, the maximum number of hours for which a Director may receive compensation under sub-paragraphs 8B and 8D above shall be eight hundred (800) hours.

10. **Physicals:**

A. City shall pay up to \$300.00 for the cost of a physical examination for each Director, on an annual basis.

11. **Training Day:**

A. City shall budget \$500.00 for a Department Director Training Day

12. **Educational Programs:**

A. The City will pay the tuition cost for educational programs in which a Director participates, subject to the prior approval of the City Manager, provided the training is determined to be relevant to the Director's job. The annual aggregate cost for tuition shall not exceed \$2,000.00.

B. Any Director who was receiving educational incentive compensation on July 1, 1995 shall continue to receive such education incentive compensation

13. **Severance Pay:**

A. City shall provide one (1) month's severance pay for the termination of any Director, except for retirement, voluntary resignation or criminal conviction.

14. **Longevity Compensation:**

A. After ten (10) years of accumulated service with the City, an employee shall receive an additional five percent (5%) in salary.

B. An advancement in longevity pay from 10 years to 9 years would go to employees who had an overall rating of “highly competent” on their most recent evaluation.

15. Business Expense Allowance:

A. Directors shall receive a business expense allowance of \$50.00 per month.

16. Severance:

A. Should any sentence, paragraph, section or portion of this agreement be determined to be invalid, or unenforceable by any subsequent law, regulation or order of a court of competent jurisdiction, then the remainder of this agreement will remain valid and in full force and effect between the parties hereto.

CITY OF MARINA

MARINA
DIRECTORS ASSOCIATION

By: _____
City Manager

By: _____
Community Development Director

Dated: _____

Dated: _____

By: _____
Fire Chief

By: _____
Finance Director

Dated: _____

Dated: _____

By: _____
Recreation & Cultural Service Director

By: _____
Police Chief

Dated: _____

Dated: _____

By: _____
Public Work Director

Dated: _____

EXHIBIT B

Department Directors Informal Employees Association Salary Schedule
(Broadband Range)
July 1, 2017 - June 30, 2019

Effective July 1, 2017

<u>Classification</u>	Beginning Step		Top Step	
	Broadband Range		Broadband Range	
	<u>Monthly</u>	<u>Annual</u>	<u>Monthly</u>	<u>Annual</u>
Assistant City Manager	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418
Community Development Director	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418
Finance Director	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418
Fire Chief	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418
Police Chief	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418
Public Works Director/City Engineer	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418
Recreation & Cultural Services Director	\$ 10,028	\$ 120,340	\$ 17,118	\$ 205,418

Effective July 1, 2018

<u>Classification</u>	Beginning Step		Top Step	
	Broadband Range		Broadband Range	
	<u>Monthly</u>	<u>Annual</u>	<u>Monthly</u>	<u>Annual</u>
Assistant City Manager	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554
Community Development Director	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554
Finance Director	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554
Fire Chief	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554
Police Chief	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554
Public Works Director/City Engineer	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554
Recreation & Cultural Services Director	\$ 10,279	\$ 123,349	\$ 17,546	\$ 210,554

May 31, 2018

Item No. **8g(5)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 5, 2018

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2018-,
AUTHORIZING THE CITY MANAGER TO EXECUTE A
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF
MARINA AND THE DEPARTMENT DIRECTORS INFORMAL
EMPLOYEES ASSOCIATION; AUTHORIZING ADJUSTMENTS TO
THE CITY'S SALARY SCHEDULE AND COMPENSATION PLAN AND
AUTHORIZING THE FINANCE DIRECTOR TO MAKE APPROPRIATE
BUDGET AND ACCOUNTING ENTRIES**

REQUEST:

It is recommended that the City Council consider:

1. Adopting Resolution No. 2018- authorizing the City Manager to execute a Memorandum of Understanding between the City of Marina and the Department Directors Informal Employees Association (Exhibit A), and;
2. Authorizing adjustments to the City's Salary Schedule (Exhibit B) and Compensation Plan, and;
3. Authorizing Finance Director to make appropriate accounting and budgetary entries.

BACKGROUND:

The Memorandum of Understanding between the City of Marina and the Department Directors Informal Employees Association expired on June 30, 2017. Representatives from the City and Department Directors Informal Employees Association met and conferred in good faith to reach a successor two-year MOU. Final approval of the successor MOU is now before the City Council.

ANALYSIS:

The successor MOU will take effect July 1, 2017 through June 30, 2019. The amended terms and conditions of the MOU provide:

1. Term
 - a. Expires June 30, 2019
2. Salary
 - a. Two and one half percent (2.5%) increase for all bargaining unit members effective retroactively to the first full pay period after July 1, 2017.
 - b. Two and one half percent (2.5%) increase for all bargaining unit members effective the first full pay period after July 1, 2018.

3. Long Term Disability

- a. As soon as administratively possible (following the meet and confer process with all bargaining groups) the City shall implement a Long Term Disability Plan. The City shall pay the premium of this Plan.

4. Dental

- a. As soon as administratively possible (following the meet and confer process with all bargaining groups) the City shall increase the dental benefit cap from \$1,000 to \$2,000.

FISCAL IMPACT:

The estimated fiscal impact for the two year agreement is approximately \$75,000. The Cost of the proposed salary and benefit adjustments can be funded from on-going revenues from the General Fund.

CONCLUSION:

This request is submitted for City Council approval.

Respectfully submitted,

Layne Long
City Manager
City of Marina