




## City of Sierra Madre Agenda Report

*John Capoccia, Mayor*  
*Gene Goss, Mayor Pro Tem*  
*Rachelle Arizmendi, Council Member*  
*Denise Delmar, Council Member*  
*John Harabedian, Council Member*

*Nancy Shollenberger, City Clerk*  
*Richard Mays, City Treasurer*

TO: Honorable Mayor Capoccia and Members of the City Council

FROM: Elaine I. Aguilar, City Manager 

INITIATED BY: Elisa C. Cox, Assistant City Manager

DATE: September 8, 2015

**SUBJECT: Authorizing Personnel Changes; Consideration of Resolution 15-55 Amending the Part-time Hourly Wages in the City of Sierra Madre Classification Plan and Salary Matrix**

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### SUMMARY

When staff presented the Fiscal Year 2014-2015 Budget, it contained staffs' best estimates for the minimum staffing required to carry out the City Council goals and objections for the fiscal year. However, it has become apparent to staff that in order to meet the City Council's expectations that some modifications need to be made in three departments. In the Planning & Community Preservation Department, staff is recommending to upgrade the Senior Planner to a Planning Manager; in the Public Work's Water Division staff is recommending to unfreeze a Water Pump Operator; and for the Fire Department, staff recommends the City Council authorize four part-time staff to work over 1560 hours in a calendar year.

Furthermore, staff is requesting a modification to the City's Classification Plan and Salary Matrix, to state that the Fire personnel who go on Strike Team are paid the rate reimbursed by the State of California.

### ANALYSIS

#### Planning and Community Preservation

The Senior Planner in the Planning and Community Preservation Department has been working out of class for approximately the last six months. To reclassify the Senior Planner as a Planning Manager will increase the Department's budget by approximately \$7,000 for this fiscal year. Alternately, the City could take away duties and responsibilities from the Senior Planner; however, this could prove difficult with the Department's on-going workload implementing the General Plan and Housing Element, preparing ordinance amendments, processing the numerous applications for the

Stonegate and Stonehouse properties, as well as processing the Saint Rita of Cascia Master Plan and ongoing implementation.

#### Public Works

The Water Division of the Public Works Department currently has one frozen and three funded full-time Water Pump Operators, along with two full-time Lead Workers, and one part-time Water Pump Operator. With the inclusion of Deputy Director Reynoso, who is ready, able, and often does jump in the trench to assist, this provides six and one-half FTE's. Staff is recommending unfreezing the Water Pump Operator, which would increase the Water Fund's expenditures by \$60,000 for each fiscal year.

The frozen full-time Pump Operator position was vacant at the time it was frozen, and as the Division was getting by at the time without the position, it was frozen as a cost-savings measure. The position was frozen prior to Fiscal Year 2009-2011. Much has changed since that time. Most significantly, the City has changed from producing local water to supplying imported water. That change has drastically altered the Division's operations. Since October of 2013 the Water Division has had to make the following operational changes:

#### *Hydrant Flushing*

While hydrant flushing has always been an important part of the Division's operations, and always will be, since October 2013 the Division has undertaken a significant flushing program to improve water quality. Mandated use of water tankers to capture the flushed water has increased the drain on manpower to a level at which it requires two FTE's four full days Monday through Thursday and one FTE on Fridays to complete the flushing each week. This effectively eliminates these full time staff members from other water division duties.

Hydrant flushing in the summer of 2013 consisted of monthly flushing of dead ends (minimum of 43 sites per month.) This was a 1-man operation, flushing directly into the street using a small truck with a diffuser mounted to the bumper. In June through August of 2013, 52 hydrants were flushed each month for a total of 156 hydrants.

Flushing June through August of 2015 included weekly flushing of the 42 original sites, plus an additional 27 sites began receiving monthly flushing. This became a two-man operation to utilize the water tender. In June 237 hydrants were flushed, July – 195, and August – 195. A total of 627 hydrants were flushed in June through August 2015, an increase of 471, or 75%, from the same period in 2013.

#### *Sampling and Reporting*

One of the water quality concerns associated with the imported water is that of nitrification occurring in the water system. This is a concern associated with all agencies utilizing MWD water; it is not unusual to Sierra Madre. As a result of the potential for nitrification, and the ongoing issue of discoloration, one of our most experienced staff

members is devoted almost full-time to sampling and reporting duties to ensure that water quality is as high as possible throughout the community. This staff member is effectively removed from other water division activities.

#### *Leak Repairs*

The water distribution system has recently seen a significant increase in the frequency of leaks. During the period of June-August 2015 staff repaired 57 system leaks. We have typically estimated repairs to amount to about a leak per week; in this three-month period, staff has repaired a year's worth of leaks. During that same three-month period in 2013 there were 9 system leaks repaired. And the leak frequency is increasing. It is not unusual to have two or more leaks per day. For safety purposes it is important to have three staff members working on each leak, so that there are always two men at each site. With only three (and sometimes 3.5) employees available at any given time, the department is hard pressed to properly address leaks when more than one occurs in a day. A symptom of this is the impact we have seen in overtime. For June through August of 2013, \$6,250 was expended in overtime. For that same period in 2015, \$11,350 has been expended.

The impact of the above changes in operations is being seen in other areas of the Division's normal operations. For example, meter reading has been delayed, the State-mandated valve exercising program, our water distribution site maintenance, and our meter replacement program have fallen far behind, and even a water conservation status report to the State was recently delayed in submittal. The State Department of Water Resources has requested we begin exercising valves again in order to meet our valve exercising goal of 580 valves per year; due to drought levels and manpower constraints, only 265 valves have been exercised in 2015 and only one has been exercised in the three month June - August period.

*A note on the volunteer intern positions.* The part time intern positions have been established as a trial program to determine if a mutually beneficial arrangement could be developed in which the Division would receive additional manpower at no cost and the interns could receive the experience needed to become more attractive applicants for full or part-time positions in the water industry. To date, staff is still working to find the balance under which the relationship is mutually beneficial. Under the Division's current workload, it appears that the unpaid interns are getting the greater benefit than the City from their volunteer hours. Although these individuals have tested for and received their State certifications, they are lacking in the field experience critically needed to work without supervision; again, the need for experience is their motivation for being here and working for free. Staff has determined that the interns are not particularly helpful on leak repairs due to their inexperience, and they are not used on hydrant flushing because of the unfamiliarity with the distribution system. Deputy Directors Cimino and Reynoso are continuing to seek ways in which the volunteer interns can alleviate staff workloads. In short, they are an asset, which requires careful

scheduling and use, which can conflict with the emergency aspects of the water operations.

### Fire

During the budget presentations this past spring, staff informed the City Council that the City was having tremendous difficulty hiring and retaining part-time Engineers. It is the basic premise and duty of the Fire Service that when a person or persons are in need of help, the Fire Department will respond. Unless a person walks into the station (which is rare), it is necessary for Fire Department personnel to drive to the scene. The Firefighter that drives the apparatus is the Engineer.

### *Engineer Duties*

A common misconception is that the Engineer is solely responsible for driving the apparatus to and from the scene of the incident. While that is one component of their duties, the Engineer is also responsible for pumping operations, and safety of the crew. Below is a list of common duties for an Engineer:

- Safely driving the engine to and from the scene
  - Positioning the engine so the equipment and hose can be efficiently deployed
- Operating all pumps and components of the engine
  - Controls hydraulic pressures, nozzle reaction, and other forces involved.
- Responsible for the safety of the crew and apparatus while in motion
- Responsible for the safety of personnel operating hose lines supplied by the pumper.

The above duties are an enormous responsibility and requires the Engineer to complete an intense training program that takes four to five years to complete the classes and earn the experience and skills to become an Engineer.

### *Decline in Volunteers*

Sierra Madre has been blessed with residents who have committed years of service to our Fire Department. However, starting in the late 1990s the Department started to see a decline in interested members. In 2006 the Department was down to three Firefighters on each of its three crews; compare this to 1999 and 2000 when the Department had approximately 10 Firefighters, two Engineers and one Captain on each crew.

The Paramedic Program started in 2007 and for the first time in the Fire Department's history there were sleeping quarters that allowed for the hiring of Firefighters that did not live or work in town. It also brought a new type of Volunteer Firefighter; one not only committed to the residents of Sierra Madre but also to their own career. With this new career attitude and the accelerated hiring practices of the fire departments in Los Angeles County, the City has only been able to keep Firefighters for two years or less (currently, our most senior fire fighter has been with the City for 18 months). With this large turnover it is very difficult to promote any volunteer to Engineer.

### *Part-time Paid Engineers*

The City hired its first part-time paid Engineers in Fiscal Year 2012-2013. The need for paid Engineers has continued to grow each year as the many volunteer fire fighters have left the department before promoting to Engineer and as long-time volunteers have retired. This fiscal year, the City budgeted for part-time Engineers for 24/7 coverage as the possibility of relying on volunteer Engineers has diminished. Currently, two of the part-time paid Engineers are enrolled in CalPERS, allowing them to work more than 960 hours in a year, but these staff are still limited in the number of hours they work due to the Affordable Care Act, which requires the City to provide affordable medical coverage for any employee who works more than 1,560 hours in a calendar year.

### *CalPERS and the ACA*

The limitation of hours with CalPERS and the Affordable Care Act has been a major hurdle for the Department. The City's policy is to only allow a limited number of part-time employees into the CalPERS system, which limits the number of hours a part-time Engineer can work to 960 in a fiscal year; this equates to 40 shifts per year. The minimum number of Engineers that the Department needs is 10, and that is only if each Engineer can work the entirety of the 960 hours. In reality, the Department requires 12 to 13 part-time Engineers to comfortably cover the position for one year. Currently the Department has eight, with all of them limited in their ability to work only one specific day per week; furthermore, five of the eight Engineers cannot commit to working more than 26 weeks during the year.

The new mandated sick leave laws complicates matters even more as the time employees take as sick leave counts towards an employee's 960 hours. Conservatively, the City can only count on each Engineer actually working 928 hours, if each employee takes his/her full 72 hours of sick leave each year.

Under the new Affordable Care Act (ACA) regulations, the City is required to provide affordable medical coverage to any employee who works more than 1560 hours in the calendar year. Under the ACA, employer-sponsored coverage must cost no more than 9.5% of an employee's household income, after the employer's contribution, to be considered affordable. City may face penalties if it does not provide affordable care to at least 95 percent of the full-time equivalent employees eligible for affordable medical coverage. It has been the City Council's policy not to allow part-time employees to work more the 1560 hours in order to ensure that part-time employees do not qualify for the mandated medical coverage.

Furthermore, the fact that CalPERS hours are tracked on a fiscal year basis and the ACA hours are tracked on a calendar year basis provides further complications as staff that have reached their ACA limits are prohibited from working in October / November and staff that reach their CalPERS limits are prohibited in working May / June.

### *Hiring Difficulties*

Since the inception of the part-time Engineer position in the City, staff has found it very difficult to find qualified Engineers willing to work part-time and be able to commit to working 40 shifts each year. We have had Engineers from large departments come in and work part-time shifts, but because of recent hiring freezes, an elevated and prolonged fire season, and lack of promotions, Engineers from these large departments are being required to work overtime in their own jurisdictions and are unable to fulfill their shifts at Sierra Madre with little or no notice.

### *Staffing Options*

1. **Continue to provide necessary coverage using full-time Captains and increase the overtime budget.** Today, the Department has eight part-time Engineers and the availability, or lack thereof, leaves 76 shifts a year without an Engineer. In order to continue to provide coverage to the city, the Department has shifts where a full-time Captain works as the Engineer and the Fire Chief fills the role of the Captain. To continue this trend with the paid Captains working as Engineers will cost the City an additional \$91,000 in overtime over the course of the fiscal year and will reduce the Fire Chief to a non-exempt employee for the weeks that he spends more than 25% of his time sitting in the Captain's seat, limiting his time dedicated to the administration of the department.
  - Pros: the Engine is staffed and can respond to calls
  - Cons:
    - High cost of overtime
    - Increased shifts for Fire Captains which may result in burn-out, fatigue and increase risk of accident or injury
    - Limits the hours the Fire Chief can work as an exempt employee
    - Does not solve recruitment or retention issues
2. **Budget for additional Engineers be enrolled in CalPERS.** Currently there are three Engineers enrolled in CalPERS; an additional three Engineers allowed to work up to 1250 hours per year would reduce the coverage problem because the Engineer could work one shift per week for the entire year. This would cost approximately \$9,500 a more per fiscal year in part-time wages.
  - Pros:
    - The Engine is more likely to be staffed and respond to calls
    - Less costly and less risk than paying overtime for full-time Captains
    - May help with retaining some of the part-time Engineers if they know they will have additional hours of work during the year
  - Cons:
    - Five of the eight current Engineers cannot commit to working more than 26 weeks a year; could still have an issue recruiting qualified Engineers to work one day a week for an entire year

- May have to continue to rely on the full-time Captains filling in as Engineers to ensure the rig is staffed 24/7/365
3. **Allow for Engineers to work more than 1560 hours per calendar year and not provide affordable medical coverage.** Currently, the Fire Department does not schedule any of its part-time staff to work more than 960 hours per fiscal year, unless the position is authorized to be in CalPERS, then the employee is not scheduled to work more than 1250 hours per calendar year, unless authorized by the City Manager, in which case the employee is not allowed to work more than 1500 per year. The City Council could provide the City Manager with direction to allow part-time Engineers to work more than 1560 hours in a calendar year. Part-time Engineers, like all part-time employees, are allowed to purchase medical coverage at the City's cost; the cost of the City's medical coverage is not considered affordable under the ACA and City may face penalties if it does not provide affordable care to at least 95 percent of the full-time equivalent employees eligible for affordable medical coverage. However, four part-time Engineers would not make up more than 5% of the City's full-time equivalent employees eligible for affordable medical coverage, so the City would likely not face any fines. If the City were fined it would be at \$250/month for each month of not providing affordable coverage for each employee who enrolled in and received a subsidy from the insurance exchange, Covered California.
- Pros:
    - The Engine will be staffed and able respond to calls
    - Less costly and less risk than paying overtime for full-time Captains
    - May help with retaining some of the part-time Engineers if they know they will have additional hours of work during the year
  - Cons:
    - Five of the eight current Engineers cannot commit to working more than 26 weeks a year; could still have an issue recruiting qualified Engineers to work one day a week for an entire year
    - May have to continue to rely on the full-time Captains filling in as Engineers to ensure the rig is staffed 24/7/365
    - Risk of being fined for not providing affordable medical coverage under the ACA
4. **Allow for Engineers to work more than 1560 hours per calendar year and provide affordable medical coverage.** Under the ACA, employer-sponsored coverage must cost no more than 9.5% of an employee's household income, after the employer's contribution, to be considered affordable. This amount will vary from employee to employee, but should the City provide a monthly medical stipend of \$315 to a part-time employee, the City would be in compliance with the ACA regulation for all of the various part-time employees. If the City were to provide four part-time Engineers with affordable medical coverage for the year, it would cost \$15,120 for the medical benefits, and an additional \$3000 for a fourth

Engineer to be enrolled in CalPERS, for a total increase of approximately \$18,120.

- Pros:

- The Engine will be staffed and able respond to calls
- Less costly and less risk than paying overtime for full-time Captains
- May help with recruiting and retaining some of the part-time Engineers if they know they will have additional hours of work during the year and affordable medical coverage

- Cons:

- Five of the eight current Engineers cannot commit to working more than 26 weeks a year; could still have an issue recruiting qualified Engineers
- Part-time turnover is high, especially when larger Fire Departments are hiring
- May have to continue to rely on the full-time Captains filling in as Engineers to ensue the rig is staffed 24/7/365
- Increased cost to the Fire Department's General Fund Budget

5. **Create full-time Engineers within the existing Classification and Compensation Schedule.** Creating a full-time Engineer position within the current Classification and Compensation Schedule would place the salary at \$57,168 - \$69,488 and the total compensation at approximately \$113,000 per employee per year. Three full-time Engineers and one part-time (mimicking the current Fire Captain model) would cost the City approximately \$364,000 per fiscal year; this would be an increase of approximately \$216,000 from the current adopted budget.

- Pros:

- Full-time coverage for engine; able to respond to calls
- Full-time staffing models are more reliable than part-time staffing models

- Cons:

- Increase to the Department's budget
- Likely have issues recruiting and retaining full-time staff at this salary level

6. **Create full-time Engineers, modifying the existing Classification and Compensation Schedule.** When the City Council last looked at salary comparisons, the Council directed staff to compare Sierra Madre to La Canada, San Marino, and South Pasadena. In doing this for the Engineer at the rates within the existing Classification and Compensation Schedule, the Engineer would be paid on average 27% below the comparable cities.



City	Average Salary
La Canada	Contract LA County Fire
San Marino	\$93,552
South Pasadena	\$80,478
Average	\$87,015
Sierra Madre (proposed)	\$63,328
Mean Difference	(27%)

To increase the salaries comparable to the lowest paid city, South Pasadena, would bring the total compensation up to \$140,000 for each Engineer. To avoid compaction with the Fire Captains, the Captains' salary schedule would need to be increased, resulting in the total compensation for the Fire Captain going from an average of \$160,000 to, at a minimum, an average of \$177,000. These modifications would increase the Fire Department's General Fund Budget by approximately \$260,000 each fiscal year.

- Pros:
    - This is the option that makes the most operational sense to create a long-term sustainable Department
  - Cons:
    - Increase to the Department's budget
7. **Pay another outside agency on a shift basis for an Engineer.** The Fire Department explored the idea of having another agency provide an Engineer on a shift basis for those shifts that the City could not cover; unfortunately, they were unable to find a department that was willing to have their Engineers work for the City on an as needed basis.
8. **Explore Contracting Fire Services.** As the City Council looks at long-term sustainability for the City as a whole, it may want to consider alternative methods for providing fire services. The City is also currently experiencing issues recruiting and retaining Paramedics; staff can come back to the Council at a later date with more information and options to address the Paramedic shortfall.

Operationally, the best, long-term solution for the City to keep fire services in-house is option six, to create full-time Engineers, modifying the Classification and Compensation Schedule. The Fire Department is applying for a SAFER Grant to fund a full-time Engineer for the Department for two years (the City has to pick up the cost in the third year); the Department plans to apply in January and the City should know if it receives the grant in April for funding in the next fiscal year. However, in the mean time, in the City's current financial position, staff recommends the City Council authorize option four, allowing four part-time paramedics to work over 1560 hours in the calendar year and provide affordable medical coverage. Although this option increases the Department's

cost by approximately \$18,000, as a short-time solution, it provides the least risk and the best chance of attracting and retaining part-time staff to cover the shifts. If the City Council goes with this option, staff will come back to the Council with a revised Terms and Conditions for Part-time Employees with specific guidelines for how a part-time Engineer would qualify for the medical stipend.

#### Classification Plan and Salary Matrix Adjustment

Staff is recommending the City Council adjust the Salary Matrix so that the hourly rate for Fire Department Members who go on strike team is based on the hourly rates reimbursed by the State of California.

#### **FINANCIAL REVIEW**

- To reclassify the Senior Planner as a Planning Manager will increase the Department's budget by approximately \$7,000 for this fiscal year. This funding will need to be allocated from General Fund Reserves.
- A full-time Water Pump Operator would increase the Water Fund's expenditures by \$60,000 for fiscal year. The \$60,000 budget increase for Salaries and Benefits would reduce the estimated funds available for the year ending June 30, 2016 to approximately \$1,041,000. For the year, total budgeted expenditures exceed total estimated revenues by \$565,000; this shortfall would increase to \$625,000. However, this includes capital outlay of \$929,000 (capital projects, purchases and deferred maintenance).
- The financial impact to the Fire Department to go with option four is approximately \$18,000. This funding would need to be allocated from the General Fund Reserves.
- There is no financial impact to adopting the changes to the Classification Plan and Salary Matrix as the positions staff is recommended for change are all reimbursed by the State of California for Fire Strike Team.

#### **PUBLIC NOTICE PROCESS**

This item has been noticed through the regular agenda notification process. Copies of the report are available via the City's website at [www.cityofsierramadre.com](http://www.cityofsierramadre.com), at the City Hall public counter, and the Sierra Madre Public Library.

#### **ALTERNATIVES**

1. The City Council can approve the upgrade to Planning Manager, the unfreezing of the Water Pump Operator, and increasing the number of hours four part-time paramedics can work in a calendar year. Furthermore, the City Council can approve Resolution 15-55, which would modify the City's Classification Plan and Salary Matrix, to state that the Fire personnel who go on Strike Team are paid the rate reimbursed by the State of California.
2. The City Council can choose not to approve the upgrade to Planning Manager, unfreeze of the Water Pump Operator, or the increase in hours for the Fire Engineers, and not approve Resolution 15-55.
3. The City Council can approve some of the modification recommended by staff

and deny others.

4. The City Council can provide alternate direction to staff.

**STAFF RECOMMENDATION**

Staff is recommending upgrading the Senior Planner to a Planning Manager; unfreezing a Water Pump Operator; and increasing the number of hours four part-time Engineers could work in a calendar year.

Furthermore, staff is recommending the City Council approve Resolution 15-55, which would modify the City's Classification Plan and Salary Matrix.

Attachment: Resolution 15-55 Amending the Part-time Hourly Wages in the City of Sierra Madre Classification Plan and Salary Matrix

**RESOLUTION NO. 15-55**  
**AMENDING THE PART-TIME HOURLY WAGES IN THE**  
**CITY OF SIERRA MADRE CLASSIFICATION PLAN AND SALARY MATRIX**

WHEREAS, the City of Sierra Madre participates in the statewide mutual aid system; and

WHEREAS, the City of Sierra Madre deploys and compensates employees and volunteers assigned to a strike team responding to an emergency incident. Including a Fire Captain, Fire Engineer, and volunteer firefighters,

WHEREAS, the City of Sierra Madre has strike team rates reimbursable by the State of California, which change periodically;

WHEREAS, strike team rates shall be amended in the Classification Plan and Salary Matrix to be based on the rate reimbursable by the State;

WHEREAS, in the amended Classification Plan and Salary Matrix, the information contained within the plan in regards to duties, responsibilities, training and experience for all positions remains status quo;

WHEREAS, in the amended Classification Plan and Salary Matrix, the salary information contained within the plan for all full-time positions remains status quo;

NOW, THEREFORE, BE IT RESOLVED

SECTION 1. That the amended pages of the City of Sierra Madre Classification Plan and Salary Matrix be and the same are hereby attached hereto and made a part thereof.

SECTION 2. That the changes to the strike team hourly wages retroactively take effect August 9, 2015.

SECTION 3. That the Clerk be and hereby is instructed to record this Resolution in the appropriate record book.

Approved and Adopted on the 8<sup>th</sup> day of September, 2015.

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Mayor, City of Sierra Madre, CA

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the City of Sierra Madre City Council on the 8<sup>th</sup> day of September 2015 by the Sierra Madre City Council following a roll call vote:

Ayes

Noes

Absent

Abstain

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City Clerk, City of Sierra Madre, CA

Resolution 15-55, Attachment 1

**Part-time Employees**

	<b>Range</b>	<b>1</b>
Recreation Leader	73	10.12
Program Specialists	57	13.49
Film Monitor - Office	62	13.52
Film Monitor - Location	65	35.00
Fire Safety Officer - Filming	64	50.00
Facility Attendant	61	14.56
Library Page	51	10.10
Library Clerk	54	11.25
Library Technician I	58	14.62
Associate Librarian I	63	19.33
Police Cadet	57	13.49
Dispatcher	59	18.60
Records Clerk	59	18.60
Community Services Officer	83	20.72
Investigator	75	30.60
Patrol Officer	84	32.66
Lieutenant	70	42.25
Code Enforcement	83	20.72
Paramedic	73	10.50
Engineer II	74	12.50
Fire Captain	83	20.72
Strike Team Responder – Firefighter*	67	17.68*
Strike Team Responder – Engineer*	68	23.16*
Strike Team Responder – Captain*	69	34.80*
Strike Team Responder - Battalion Chief*	70	48.33*
Strike Team Responder - Deputy/Asst Chief*	71	45.50*
Strike Team Responder - Fire Chief*	72	48.90*
Water Pump Operator	81	16.47
Maintenance Worker	80	15.68
Administrative Intern	57	13.49
Administrative Clerk	76	15.38
Account Technician	82	19.08
Accountant	79	25.19
Analyst	79	25.19

\*Rates set by the amount eligible for reimbursement from the State of California