



STAFF REPORT

AGENDA NO: 10a

MEETING DATE: February 18, 2020

To: Honorable Mayor and City Council

Date: February 18, 2020

From: Sonya Morrison, Human Resources Director – (650) 558-7209

Subject: Adoption of a Resolution Approving Personnel Changes, Amending the Part-Time Employee Salary & Benefit Plan, Amending the Department Head and Unrepresented Compensation and Benefit Plan, and Approving the City of Burlingame Pay Rates and Ranges (Salary Schedule)

RECOMMENDATION

Staff recommends the City Council adopt a resolution approving personnel changes in the Community Development Department, Human Resources Department, Public Works Department, and City Manager's Office, amending the Part-Time Employee Salary & Benefit Resolution, amending the Department Head Compensation and Benefit Plan, and authorizing the City of Burlingame pay rates and ranges for employees (salary schedule).

BACKGROUND

The City of Burlingame has carefully considered all increases in staffing levels in consideration of a financially sustainable level of staffing that is adequate to meet the ever-increasing demands on City staff time. The City Council has approved conservative increases in overall headcount as recommended by City staff, being mindful of budget impacts, unfunded pension and benefit liabilities, and overall City costs.

As a result of regulatory changes and increases in demands on staffing levels across multiple departments, current staffing levels are inadequate to deal with the workload and changing regulatory demands facing current staff. Assembly Bill 5 (AB 5) went into effect on January 1, 2020. The legislation requires the City to adopt new standards for the use of contract labor. AB 5 assumes an individual is an employee rather than a contractor unless a strict test is satisfied.

The City Attorney and Human Resources Director completed a City-wide analysis of the current use of contractor staff and determined many of the contractors the City currently uses, particularly in Building and Planning, do not meet the new standard and so are unable to provide contract services for the City under the new regulations. This requires the City to add staff to meet service demands. There will be a corresponding elimination in the budget for contractor services and hourly employees in these areas. In addition, regulatory changes, increased service demands, regional ballot measures, and Council priorities necessitate the addition of staff in the Human Resources Department and the Public Works transportation and traffic area. Finally, two long-time staff members in the City Manager's Office are currently classified as temporary employees but, after

more than five years, should be added to the regular staffing head count as these positions directly support ongoing Council goals and sustainability priorities.

DISCUSSION

Community Development Department: Building Division

The Building Division of the Community Development Department relies heavily on contractor hours to supplement permit technician and building inspector/plans examiner staff. The City currently has no Senior Building Inspector available for building inspections and relies completely on contractors for this, as the one Senior Building Inspector/Plan Checker the City has on staff is devoted 100% of the time to checking plans in order to meet the City service standards for plans examining. AB 5 means the City is no longer able to hire contractors for these services and must instead hire employees. If contractors are no longer able to provide the services for building inspection and the permit desk, the City will not be able to provide these services without additional staff. In addition to this, the Permit Technician/Green Building Specialist is assigned 20% of the time to permit technician duties. With the increased demand for services in the Green Building area, changed regulations, and the Council's sustainability goals, the Permit Technician/Green Building Specialist needs to be assigned full time to Green Building, and green building inspections need to be added to the position's duties. This reduces the staff assigned to the permit counter, further supporting the need for an additional Permit Technician position. These changes do not result in any additional individuals providing services, but they shift the model from contractors to employees providing services.

Community Development Department: Planning Division

The Planning Division of the Community Development Department similarly relies heavily on contractors and temporary staff at both the Planner and Senior Planner level. The division has a temporary employee who works 40 hours per week who has provided Senior Planner services on a temporary basis for more than ten years. The need is clearly established for an additional Senior Planner on a regular basis, not just a temporary basis. In addition to this, with the passage of AB 5, planning contract staff need to be eliminated. As the demand for services is not changing, this requires additional Associate Planner staff to replace the contractor hours. These changes do not result in any additional individuals providing services, but they shift the model from contractors and temporary staff to employees providing services.

Community Development: Housing

The Community Development Department currently has no staff dedicated to housing. A mixture of contractors and consultants provide expertise in this area. Housing is a priority of the Council and the City; the addition of ten hours/week (0.25 FTE) to the incumbent Economic Development Specialist, with a change in title to Economic Development and Housing Specialist, will allow the City to dedicate some staff resources to furthering this Council priority. This change results in a part-time employee increasing hours to a full-time position but does not increase the employee headcount of the City.

Human Resources Department

The Human Resources Department is currently staffed with one Human Resources Technician, one Human Resources Analyst II, and one Human Resources Director responsible for the full range of human resources functions for the City's approximately 207 full-time and 150 part-time staff as well as the administration of a retiree benefits program for the City's almost 300 retirees. As the City grows, and in the increasingly complex legislative and regulatory labor and employment law environment, it is becoming increasingly difficult for the lean department to keep up with the service and regulatory demands. This creates a significant risk of liability for the City in the areas of Workers' Compensation, Risk and Safety, Leave Administration, Benefits, and Policy administration. It also creates concerns for the successful implementation of the City's new ERP system. Human Resources is not simply about mitigating risk; the department is also responsible for attracting, retaining, and developing a highly skilled workforce to meet the City's goals. Current staffing levels are inadequate to meet these demands. This has been reflected in high staff turnover within the department as staff are unable to keep up with the workload. As staff, programs, and benefits are added for the rest of the City, this also increases the demand on the small Human Resources Department.

The addition of a Human Resources Analyst II in the department will add much-needed capacity to meet current service and regulatory demands. The position will add capacity and programs in the areas of staff development (to build competency, create succession, and reduce turnover), classification and compensation (a risk mitigation strategy and recruitment/retention strategy), wellness programs (to reduce workers' compensation risk, improve retention, and reduce turnover), employee recognition and engagement (retention strategies aimed at increasing productivity and reducing turnover), and risk management and safety programs (aimed at improving employee safety, reducing risk and liability, and complying with ever-changing regulations). The addition of 1.0 FTE would improve the Human Resources staff to employee ratio (currently the City has a significantly higher employee to HR staff ratio than other cities and higher than what is generally known as an acceptable standard). The intent is to divide the HR programs assigned to the analysts and rotate the assignment every two years between two analysts, thereby cross-training and developing their capabilities. This change will increase the City's headcount by one.

Public Works Department

Transportation is one of the City Council's four priority areas of focus. Currently, City transportation and traffic needs are staffed by a Senior Civil Engineer and a Transportation Engineer. Their responsibilities include acting as staff liaisons for the Traffic, Safety and Parking Commission (TSPC) and the Bicycle Pedestrian Advisory Committee (BPAC). Additional staff responsibilities include, but are not limited to, serving on regional transportation committees, managing transportation-related capital improvements, representing City interests on transportation capital improvements being conducted by other agencies, responding to public inquiries and complaints on traffic-related issues, reviewing traffic studies for private development, and preparing grant applications. In addition to these duties, staff also manages the work of several outside consultants who provide professional services related to transportation engineering projects.

Several major transportation projects that will have substantial impacts to the City are currently in progress. The Broadway Grade Separation Project requires significant staff time to coordinate and

protect City interests. Staff resource demands will continue through final design, right-of-way acquisition, project funding, and construction coordination. This project will continue to create a significant impact on staff resources for the life of the project. The El Camino Real Roadway Renewal Project will require significant staff resources during the planning phase and once construction commences. Additionally, San Mateo's Peninsula Avenue Interchange Project will require staff resources to review and coordinate City interests to mitigate community concerns on the project. These projects are all anticipated to have a high impact on staff for at least the next eight to ten years.

Bicycle and pedestrian capital improvement projects are anticipated to increase due to intensified community demands and increased regional funding availability. Upon completion of the Lyon Hoag and Adjacent Neighborhoods Traffic Calming Study and the Bicycle and Pedestrian Master Plan, a list of proposed capital improvements will be established. These additional projects will be managed by City staff and will require a high level of public outreach, coordination during project development and implementation, and numerous site visits.

Unfortunately, there is already a significant backlog of traffic calming projects requested by the community. Many of these requests require staff time to conduct outreach and coordinate with neighborhood residents to ensure consensus on any proposed solutions. Given the press of other work and priorities, the City has insufficient staffing resources to address these traffic calming requests in a timely fashion. Additional staffing will assist in maintaining a high level of customer service to the community. The addition of a Program Manager in Public Works dedicated to transportation and traffic will increase the City's headcount by one.

City Manager's Office

Job classifications need to be adopted for the Assistant to the City Manager and the Sustainability Coordinator positions. While the Assistant to the City Manager has been a budgeted position, it has been a casual non-benefitted position to date, as has the Sustainability Coordinator. Staff recommends adding both positions as regular part-time employees, eligible for the same pro-rated benefits provided to other regular part-time employees across the City. Both these incumbents have been employed as casual workers by the City for more than five years, working on Council priorities and projects that have City-wide impact.

Summary of Recommended Position Changes

1) Addition of the following positions:

- One 1.0 Full Time Equivalent (FTE) Permit Technician in the Building Division (with a corresponding elimination of contractor hours);
- One 1.0 FTE Senior Building Inspector/Plan Checker in the Building Division (with a corresponding elimination of contractor hours);
- One 1.0 FTE Associate Planner in the Planning Division (with a corresponding elimination of contractor hours);
- One 0.25 FTE and add Housing duties to the 0.75 FTE Economic Development Specialist in the Community Development Department;
- One 1.0 FTE Human Resources Analyst II in the Human Resources Department (and

- reduce temporary staff hours); and
 - One 1.0 FTE Program Manager in the Public Works Department to focus on transportation and traffic.
- 2) Change from casual to regular benefitted positions for long-term casual employees with the equivalent reduction in the budget for casual hours:
- One 1.0 FTE Senior Planner in the Planning Division (with a corresponding elimination of 40 temporary staff hours per week of the same classification);
 - One 0.5 Sustainability Coordinator in the City Manager's Office (with a corresponding elimination of 20 temporary staff hours per week of the same classification); and
 - Changing status and adding benefits to the existing 0.625 FTE Assistant to the City Manager in the City Manager's Office. The casual position was budgeted for a 0.625 FTE non-benefitted, casual, position. This change is adding benefits and changing the status from casual to permanent, not increasing the budget FTE.

These changes in personnel/positions are deemed necessary to effectively carry out the City's priorities and support both General Fund and Capital Improvement Program activities. Although these changes will be reflected as a 6.75 increase in FTEs, the City's actual workforce is increasing by only 2.25 positions (one full-time position in Public Works and one in Human Resources, and an increase from 30 hours to 40 hours per week for the Economic Development and Housing Specialist position). Three FTEs are currently provided contractually, and the remaining 1.5 FTE addition is the result of recognizing casual part-time employees as permanent benefitted positions.

Part-Time Employee Salary & Benefit Plan

At the Council meeting on December 7, 2015, the Council passed a resolution adopting the first Part-Time Employee Salary & Benefit Plan (Plan) outlining salary and benefits for the City's temporary staff, including casual staff in the Recreation Division. Some of these benefits are mandated by law, and some were optional.

The resolution also tied future increases to the increases negotiated with the City's represented units. Unfortunately, this removed the Recreation Division's discretion to develop their budget and set fees for recreational programs. When negotiated increases are above CPI, the greater than expected program costs must be either passed onto residents through higher recreational program fees, or absorbed by the General Fund (which results in less budget available for other program activities). The Recreation Division needs to be able to balance salary raises, program, fees, and program expenses in their annual budget. Removing the Recreation classifications from these automatic increases reflects a sounder operational practice for the department.

The Plan also provides for State mandated sick leave benefits, plus additional vacation leave, a benefit intended for part-time employees who had worked for the City for some time. Providing additional vacation leave to the summer recreational program staff who are not ongoing employees is contrary to the intent of providing the benefit, causes operational staffing shortages when summer staff utilize vacation leave, and increases program costs (backfilling staff out on vacation leave and also cashing out unused vacation upon separation). Vacation leave benefits shall not apply to the Recreation Leader series (Rec Leader I, II & Senior Rec Leader).

Department Head and Unrepresented Compensation and Benefit Plan

Adding a part-time employee (the Assistant to the City Manager) to the Unrepresented Employee group requires an amendment to the Department Head and Unrepresented Compensation and Benefit Plan, to allow for pro-rated benefits for the part time employee. The benefits will match the benefits of other regular part-time employees across the City.

Notification of all changes has been provided to the appropriate bargaining units. The proposed changes to the classification and compensation plan requires the City Council to authorize a new salary schedule that, once approved, will be made available to the public via the City of Burlingame website.

FISCAL IMPACT

The net impact of these personnel changes is \$550,000 per year. The appropriate budget adjustments for the current fiscal year will be included in the FY 2019-20 mid-year budget amendments.

Exhibits:

- Resolution
- Salary Schedule
- Part-Time Employee Salary & Benefit Resolution
- Sustainability Coordinator Job Classification
- Assistant to the City Manager Job Classification
- Department Head & Unrepresented Compensation and Benefit Plan Amendment