

**CITY OF EL PASO, TEXAS
AGENDA ITEM
AGENDA SUMMARY FORM**

DEPARTMENT: Mayor and Council

AGENDA DATE: May 30, 2017

CONTACT PERSON NAME AND PHONE NUMBER: City Rep. Acosta, Dist. 3

DISTRICT(S) AFFECTED: ALL

STRATEGIC GOAL: 6.) Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

1. Discussion and action on reaffirming the authorizing of the expenditure, as per the resolution approved on October 18, 2016, by city council and requesting that the Finance Department authorize the issuing of a check for the amount indicated of \$10,000 to the El Paso Community Foundation, the fiscal agent for the Welcome Home Vietnam Veterans Committee, to defray the cost of publishing the book, "El Paso Vietnam Veterans, Our Heroes, Their Stories". As per the resolution, the "Welcome Home Vietnam Veteran Committee" will also provide copies of the book, once published, to all local libraries.
2. Discussion and action on the status of longevity pay for city employees previously discussed during the January 10, 2017 city council meeting. The motion included the city manager to come back to council with a longevity pay increase for employees upon the second year of service and to update that longevity pay every two years.
3. Discussion and action on the status of the city council approval of "ordinance amending ordinance 8064, section 3.6 (longevity pay) to comport with the legislative intent of the city council to pay longevity pursuant to the city's budget resolution". The motion was made on January 10, 2017 during the regular city council meeting.
4. Discussion and action on the status of allowing employee representation at the investigatory stage of the disciplinary process as discussed on January 10, 2017 on employee representation at the investigatory stage of the disciplinary process. City council made a motion to direct staff to create employee focus groups and to bring back recommendations to council.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns? Please see attached.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Yes

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

*****REQUIRED AUTHORIZATION*****

OSCAR LEESER
MAYOR

TOMMY GONZALEZ
CITY MANAGER

PETER SVARZBEIN, DISTRICT 1
JIM TOLBERT, DISTRICT 2
EMMA ACOSTA, DISTRICT 3
CARL L. ROBINSON, DISTRICT 4
MICHEL R. NOE, DISTRICT 5
CLAUDIA ORDAZ, DISTRICT 6
LILY LIMÓN, DISTRICT 7
CORTNEY CARLISLE NILAND, DISTRICT 8

AGENDA FOR REGULAR COUNCIL MEETING

**January 10, 2017
COUNCIL CHAMBERS, CITY HALL
8:00 AM**

AND

**LEGISLATIVE REVIEW MEETING OF THE WHOLE
300 N. CAMPBELL
MAIN CONFERENCE ROOM, 2ND FLOOR
January 9, 2017
9:00 AM**

REGULAR AGENDA - OTHER BUSINESS / PUBLIC HEARINGS AND SECOND READING OF ORDINANCES

23. Goal 6: Set the Standard for Sound Governance and Fiscal Management

23.1. Report on management's review of grievance filed by ATU Local 1256 regarding longevity.

Human Resources, Linda Ball Thomas, (915) 212-1240

23.2. An Ordinance amending Ordinance 8064 (Classification and Compensation Plan) to amend Section 3.6 (Longevity Pay) to comport with the legislative intent of the City Council to pay longevity pursuant to the City's Budget Resolution. [POSTPONED FROM 12-06-2016]

All Districts

Human Resources, Linda Ball Thomas, (915) 212-1260

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Human Resources

AGENDA DATE: January 10, 2017 - Regular

CONTACT PERSON NAME AND PHONE NUMBER: Linda Ball Thomas, Director (915) 212-0045

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: Strategic Goal 6: Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

Discussion and Action on recommendations made by the Civil Service Commission at its April 14, 2016 meeting relating to the group grievance brought by ATU Local 1256 on the issue of Longevity Pay

BACKGROUND / DISCUSSION:

(1) The Commission made the recommendation that longevity pay as set forth in Ordinance 8064, Section 3.6, prior to changes being made to longevity pay in the City's budget resolution beginning with FY07, should be honored.

(2) The following action was taken by City Council at the May 17, 2016 meeting:

Motion made by Representative Acosta, seconded by Representative Niland, and unanimously carried to DIRECT staff to continue with their financial analysis to determine the effect of the longevity pay as it was presented in the ordinance as it was presented in the budget resolution and to share that information with the employee groups and the Civil Service Commission.

PRIOR COUNCIL ACTION:

None

AMOUNT AND SOURCE OF FUNDING:

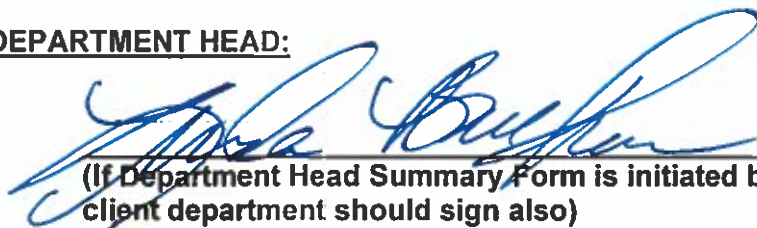
N/A

BOARD/COMMISSION ACTION:

Per Civil Service Commission recommendation made on April 14, 2016

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:




(If Department Head Summary Form is initiated by Purchasing, client department should sign also)



Human Resources

Mayor
Oscar Leaser

TO: Mayor and City Council
FROM: Linda Ball Thomas, Human Resources Director 
DATE: January 4, 2017
SUBJECT: Response to May 17, 2016 City Council agenda item #22.2

City Council

District 1
Peter Svarzbein

District 2
Jim Tolbert

District 3
Emma Acosta

District 4
Carl L. Robinson

District 5
Dr. Michiel R. Noe

District 6
Claudia Ordaz

District 7
Lily Limón

District 8
Cortney C. Niland

City Manager
Tommy Gonzalez

On May 17, 2016, the City Council heard an item whereby the Civil Service Commission made a recommendation at their April 14, 2016 meeting relating to the group grievance brought by ATU Local 1256 on the issue of longevity pay. Following discussion, Council made a motion to direct staff to continue with their financial analysis to determine the effect of the longevity pay as it was paid under Ordinance 8064, and as paid under the budget resolution (hereinafter referred to as "service time increase" to distinguish from the term "longevity" under the ordinance), and to share that information with the employee groups and the Civil Service Commission.

As background, on September 3, 2006 non-uniformed employees who qualified for annual longevity pay increases received a longevity rollover conversion. The rollover consisted of adding an employee's longevity pay, at the time of the rollover, into their base salary. After the longevity rollover conversion, non-uniformed employees are recognized for their service time on every anniversary date of five (5) years of service by receiving a percentage increase that is added to an employee's base pay, as set forth in the City's annual budget resolution.

As a continuation of the analysis directed by Council at its May 17, 2016 meeting, the Internal Audit Office conducted a review of the calculations made by the Human Resources Department to compare longevity pay versus service time increases for a sample of eight (8) employees. The Internal Audit Office reviewed and recalculated the following for the selected sample:

- Pay rates with service time increases;
- Pay rates without the service time increases;
- Longevity pay rollover conversion rates;
- Pay rate changes after the longevity rollover conversion;
- Pay rates with continued annual longevity pay increases; and
- Comparison between five year service time increases and annual longevity pay increases.

Findings of the Internal Audit Review:

- It confirmed the conclusion made by the Human Resources Department that all eight (8) employees have benefited from receiving service time increases every five years versus an annual longevity pay increase.



Human Resources

At the request of ATU, an additional longevity pay review was completed by the City's Internal Audit Office on a sample of six (6) additional employees, current and former, from date of hire (DOH) through July 15, 2015. The additional six (6) employees were selected by ATU.

Of the total fourteen (14) employees audited, there was one employee whose analysis showed a "loss" of \$112.78 in longevity pay under the current resolution versus the ordinance, as of July 15, 2015. This employee falls into the category identified by ATU as a "junior" or "short term" employee; specifically, this employee was hired after the implementation of the longevity pay plan under the resolution (DOH 10/03/2006), and was never subject to longevity under the ordinance. As the tenure of this employee, and other similarly-situated employees, increases, so too will the benefits associated with the longevity pay under the resolution, as they will continue to compound and exceed any benefits that could ever have been obtained under the ordinance. In fact, this particular employee is now, as of October 3, 2016, earning more under the resolution than under the ordinance. Extending the calculation out from July 15, 2015 to October 3, 2016, this employee has now benefitted under the resolution by \$374.83.

Based on Internal Audit's review, they were able to identify that service time increases are more beneficial to an employee in the long run when compared to annual longevity pay increases.

- Prior to an employee receiving a five year service time increase, an annual longevity increase is more beneficial. Once an employee receives their first five year service time increase, it continuously surpasses the additional income that is received from longevity pay.
- Service time increases are added to an employee's base pay; therefore the increase is compounded every time an employee receives any type of pay increase.
- Longevity pay is an allowance that is not added to an employee's base pay; therefore no compounding occurs when an employee receives any type of pay increase.

In its response to the completed longevity calculations and the information provided by the City, ATU acknowledged that the longevity formula in the budget resolution, compared to that in Ordinance 8064, benefitted most employees. However, ATU alleged that "some junior employees did not benefit from the resolution," based solely on the short tenure of their employment, and revised their demand for relief to make these "[junior] employees whole with respect to longevity pay" using the longevity formula in the ordinance, with interest at 5% on the losses.



Human Resources

In response, City management reiterated to ATU that on September 1, 2006, the budget resolution set forth the criteria for longevity pay progression, thereby superseding and voiding the longevity formula under ordinance 8064. Employees who were hired and/or separated from service before reaching a 5-year milestone under the longevity plan in the City's budget resolution did not lose pay to which they were entitled; rather, these employees did not reach the specified interval at which a wage adjustment is made under the City's longevity pay plan. Although these employees may not have received a longevity pay increase during their short tenure with the City, they were not left less than whole. Instead, they did not meet the criteria in effect to receive a longevity bump.

In summary, simply because an employee was hired after the implementation of longevity under the budget resolution, or has not been or did not stay with the City long enough to reap the benefits of longevity pay under the resolution, does not entitle the employee to longevity pay under the ordinance, which is no longer in effect, in lieu of the budget resolution. The change to Longevity Pay on September 1, 2006 has been proven more financially beneficial to employees than the previous system of bi-weekly longevity payments under Ordinance 8064.

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Human Resources

AGENDA DATE: November 29, 2016 - Consent (First Reading of Ordinances)
December 6, 2016 - Regular (Public Hearing & Second Reading of Ordinances)

CONTACT PERSON NAME AND PHONE NUMBER: Linda Ball Thomas, Director (915) 212-0045

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: Strategic Goal 6: Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

AN ORDINANCE AMENDING ORDINANCE 8064 (CLASSIFICATION AND COMPENSATION PLAN) TO AMEND SECTION 3.6 (LONGEVITY PAY) TO COMPORT WITH THE LEGISLATIVE INTENT OF THE CITY COUNCIL TO PAY LONGEVITY PURSUANT TO THE CITY'S BUDGET RESOLUTION.

BACKGROUND / DISCUSSION:

Prior to fiscal year 2007, longevity pay was paid pursuant to the longevity pay plan set forth in Section 3.6 (Longevity Pay) of Ordinance 8064. In August of 2006, in conjunction with the adoption of the City's Budget for fiscal year 2007, the City replaced the longevity pay plan set forth in Section 3.6 of Ordinance 8064 with an updated and modernized longevity pay plan, which it placed in the City's budget resolution for FY2007, and which is has henceforth included in the City's annual budget resolution.

Since the adoption of the budget resolution for FY2007, the City has paid longevity pursuant to the longevity pay plan included in the City's budget resolution, as adopted annually. In this regard, it was the intent and purpose of the City Council to repeal and supersede Section 3.6 of Ordinance 8064 with the longevity pay provision in the City's budget resolution.

As a result of issues raised by City employees in the recent past relating to the City's longevity pay plan, the City deems it appropriate to make exact what the City Council's intent was in, and has been since, 2006. To eliminate any confusion created by the City's supersession of the longevity pay plan in Ordinance 8064 with the longevity pay plan set forth in the annual budget resolution, this amendment revises Ordinance 8064 Section 3.6 (Longevity) to reflect that longevity pay will be paid pursuant to the City's budget resolution.

PRIOR COUNCIL ACTION:

May 17, 2016 - City Council directed staff to continue conducting its financial analysis comparing longevity pay under the budget resolution with Ordinance 8064 Section 3.6, in response to a group grievance brought by ATU Local 1256 and heard by the Civil Service Commission on April 14, 2016.

February 24, 2009 - Last amendment made to Section 3.6 of Ordinance 8064

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD/COMMISSION ACTION:

April 14, 2016 – Civil Service Commission heard group grievance brought by ATU Local 1256 on issue of longevity pay. CSC does not have jurisdiction over Ordinance 8064 (Classification and Compensation Plan).

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

Claudia Lyman for LBT

(If Department Head Summary Form is initiated by Purchasing,
client department should sign also)

ORDINANCE NO. 018707

AN ORDINANCE AMENDING ORDINANCE 8064 (CLASSIFICATION AND COMPENSATION PLAN) TO AMEND SECTION 3.6 (LONGEVITY PAY) TO COMPORT WITH THE LEGISLATIVE INTENT OF THE CITY COUNCIL TO PAY LONGEVITY PURSUANT TO THE CITY'S BUDGET RESOLUTION.

WHEREAS, prior to fiscal year 2007, longevity pay was paid pursuant to the longevity pay plan set forth in Section 3.6 (Longevity Pay) of Ordinance 8064; and

WHEREAS, in conjunction with the adoption of the City's Budget for fiscal year 2007, the City deemed it necessary and appropriate to replace the longevity pay plan set forth in Section 3.6 of Ordinance 8064 with an updated and modernized longevity pay plan, which it placed in the City's budget resolution for FY2007; and

WHEREAS, it was the intent and purpose of the City's legislative body to repeal and supersede Section 3.6 of Ordinance 8064 with the longevity pay provision in the City's budget resolution; and

WHEREAS, as evidence of that intent, beginning on September 1, 2006, the City has paid longevity pay to eligible employees pursuant to the longevity pay plan that is adopted and set forth annually in the City's budget resolution; and

WHEREAS, as a result of issues raised by City employees as relates to longevity pay, the City deems it appropriate to make exact what the City's legislative body's intent was in, and has been since, 2006; specifically, to reaffirm the City Council's intent and purpose that longevity pay be paid pursuant to the longevity pay plan set forth in the City's budget resolution, as adopted annually; to eliminate any confusion created by the City's supercession of the longevity pay plan in Ordinance 8064 with the longevity pay plan set forth in the budget resolution; and to confirm that it has never been the City's intent for the longevity pay plan in both the budget resolution and Ordinance 8064 to be concurrently effective.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That Section 3.6 of Ordinance 8064, Classification and Compensation Plan, is amended in its entirety as follows:

3.6 LONGEVITY PAY

Longevity pay shall be paid as set forth in the City of El Paso's budget resolution, as adopted annually or as otherwise amended. (Amended 10/20/87, 12/30/91, 11/5/05, 02/24/09 and 01/10/17)

PASSED AND APPROVED this 10th day of January, 2016.

THE CITY OF EL PASO



Oscar Lessor

Mayor

Michael R. Nae M
Mayor Nae



ATTEST:

Laura D. Momen

for

Richarda Duffy Momen
City Clerk

2016 NOV 22 AM 8:54

CITY CLERK DEPT.

APPROVED AS TO FORM:



Elizabeth Ruhmann
Assistant City Attorney

APPROVED AS TO CONTENT:

Claudia Lopez for

Linda Ball Thomas
Human Resources Director

**Ordinance 8064, Section 3.6
with track changes**

**ORDINANCE 8064, SECTION 3.6 (LONGEVITY PAY)
AMENDMENT WITH TRACK CHANGES**

3.6 LONGEVITY PAY

~~Longevity pay shall be paid as set forth in the City of El Paso's budget resolution, as adopted annually or as otherwise amended. A) Each regular, full-time employee in the classified service, and each regular, full-time employee in the unclassified service who is federally grant funded, and each unclassified Department Head not receiving longevity pay under Section 141.032, Local Government Code, Vernon's Texas Codes Annotated, shall receive on the anniversary date of his original appointment to a regular, full-time position in the City service, an additional monthly sum equal to the amount provided for an employee entitled to receive monthly longevity pay under Section 141.032 cited above unless modified by Collective Bargaining agreement. (Amended 10/20/87, 12/30/91, 11/15/05, and 02/24/09 and _____)~~

~~B) Where a break in service occurs, other than for reasons of lay off or job abolishment due to reduction in force, longevity credits accrued prior to the break in service shall not be counted for the purpose of this Ordinance in case of subsequent reinstatement or appointment. (Amended 11/15/05)~~

~~C) Longevity payments made under this Ordinance will be made on a bi-weekly basis.~~

**Ordinance 8064, Section 3.6
with accepted changes**

**ORDINANCE 8064, SECTION 3.6 (LONGEVITY PAY)
AMENDMENT WITH TRACK CHANGES**

3.6 LONGEVITY PAY

Longevity pay shall be paid as set forth in the City of El Paso's budget resolution, as adopted annually or as otherwise amended. (Amended 10/20/87, 12/30/91, 11/15/05, 02/24/09 and 01/10/17)

SCAN
Date: 1/10/17
By: [Signature]

OSCAR LEESER
MAYOR

TOMMY GONZALEZ
CITY MANAGER

PETER SVARZBEIN, DISTRICT 1
JIM TOLBERT, DISTRICT 2
EMMA ACOSTA, DISTRICT 3

CARL L. ROBINSON, DISTRICT 4
MICHEL R. NOE, DISTRICT 5
CLAUDIA ORDAZ, DISTRICT 6
LILY LIMÓN, DISTRICT 7

CORTNEY CARLISLE NILAND, DISTRICT 8

MINUTES FOR REGULAR COUNCIL MEETING

January 10, 2017
COUNCIL CHAMBERS, CITY HALL
8:00 AM

REGULAR AGENDA - OTHER BUSINESS / PUBLIC HEARINGS AND SECOND READING OF ORDINANCES

.....
23. Goal 6: Set the Standard for Sound Governance and Fiscal Management
.....

23.1. Report on management's review of grievance filed by ATU Local 1256 regarding longevity.

Mayor Leeser and Representatives Svarzbein, Robinson, Limón and Acosta commented.

The following City staff members commented:

1. Mr. Tommy Gonzalez, City Manager
2. Ms. Nancy Bartlett, Chief Performance Officer
3. Ms. Sylvia Firth, City Attorney, gave legal advice.
4. Ms. Linda Ball Thomas, Director of Human Resources
5. Ms. Elizabeth Ruhmann, Assistant City Attorney
6. Ms. Mary Michel, Human Resources Manager
7. Mr. Eduardo Calderon, Chief Internal Auditor

The following members of the public commented:

1. Mr. David Guzman

NO ACTION taken on this item

- 23.2.** Motion made by Representative Acosta, seconded by Representative Ordaz, and carried to **DIRECT** the City Manager to come back to City Council with a longevity pay increase for employees upon the second year of service and to update that longevity pay every two years and to **APPROVE** an ordinance amending ordinance 8064 (classification and compensation plan) to amend section 3.6 (longevity pay) to comport with the legislative intent of the city council to pay longevity pursuant to the city's budget resolution.

AYES: Representatives Svarzbein, Acosta, Robinson, Noe, and Ordaz

NAYS: Representative Limón

NOT PRESENT FOR THE VOTE: Representative Tolbert
ABSENT: Representative Niland

The following City staff members commented:

1. Mr. Tommy Gonzalez, City Manager
2. Mr. Edmundo Calderon, Chief Internal Auditor
3. Ms. Mary Michel, Human Resources Manager
4. Ms. Sylvia Firth, City Attorney, gave legal advice.
5. Ms. Elizabeth Ruhmann, Assistant City Attorney
6. Ms. Nancy Bartlett, Chief Performance Officer

The following members of the public commented:

1. Mr. David Guzman
2. Ms. Yvette Trujillo