



COUNCIL MINUTES

May 21, 2009

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on May 21, 2009 at 7:31 a.m.

COUNCIL PRESENT

Mayor Scott Smith
Alex Finter
Dina Higgins
Kyle Jones
Dennis Kavanaugh
Dave Richins
Scott Somers

COUNCIL ABSENT

OFFICERS PRESENT

Christopher Brady
Debbie Spinner

Mayor Smith excused Councilmember Richins from the beginning of the meeting. He arrived at 7:33 a.m.

1. Hear a report and discuss Meet and Discuss issues.

Assistant to the City Manager Trisha Sorensen introduced Human Resources Director Gary Manning and advised that they would provide an update on the annual Meet and Discuss process that management conducts with employee groups. She reported that management met with the employee groups in March. Ms. Sorensen said that following a detailed review and financial analysis of the requests, management met again with the employee groups in April to discuss the attached responses to the requests presented by the Mesa United Fire Fighters (see Attachment 1), the Fraternal Order of Police (see Attachment 2) and the Mesa Police Association (see Attachment 3).

Ms. Sorensen provided an overview of the process, which was designed to enable a Council review of the proposal and management's recommendations prior to Council consideration of the proposed annual budget. She noted that discussions with each of the employee groups were tempered by an understanding of the current economic conditions. Ms. Sorensen said she would provide an overview of those items that impact the budget.

Ms. Sorensen reported that the key issues for each of the three groups was reinstating the two percent wage reduction and restoring the merit increase program. She advised that each group was informed that these items would continue to be a top priority for management and that the programs would be reinstated when economic conditions are such that the programs would be viable and sustainable. She said that the employee groups understood and accepted management's position.

Ms. Sorensen advised that another key area of concern was the Cost of Living Adjustment (COLA) that was discussed by the previous Council and included consideration of a market adjustment for the Police Department in December of 2008 and a possible five percent increase in January of 2009. She stated that although the economic downturn precluded the adjustment, management would reconsider the issue when economic conditions improve.

Ms. Sorensen said that another request made by all three groups was to increase holiday and personal day hours from eight (8) to ten (10) to match the current ten-hour workday. She stated that staff is researching this request.

Mayor Smith noted that the City transitioned to an "hour" based system rather than a "day" based system in order to avoid this issue.

City Manager Christopher Brady added that the "hour" based system enables employees to utilize personal time in hourly segments rather than taking eight hours at one time.

Ms. Sorensen advised that another suggestion made by the employee groups was to change the retiree health benefits to include spouses.

In response to a question from Councilmember Higgins, Mr. Manning advised that City provides insurance benefits following retirement from the City of Mesa for the employee based on the date of hire and that a retiree typically maintains that coverage even if employed by another organization following retirement from the City of Mesa.

Discussion ensued relative to the fact the City's benefits are competitive in the marketplace, and that most retirees maintain the City's benefits for life.

Ms. Sorensen advised that a request for overtime compensation for sworn personnel court time has been addressed in the current budget proposal, pending negotiations for reimbursement to the City of approximately \$340,000 from the Phoenix-Mesa Gateway Airport for police coverage at that facility. She stated that the City is complying with a request to change the eligibility date for employee coverage under the City's Industrial Injury Program to the date of hire rather than the date an employee passes probation.

Responding to a request from Mr. Brady, Mr. Manning explained that the Industrial Injury Program (IPP) provides an offset to wages that may be lost by an employee who is injured on the job. He said that this benefit is in addition to the Worker's Compensation benefit, which is established by State Statute at 66-2/3 percent of a set amount. Mr. Manning stated that the Industrial Injury Program attempts to supplement Worker's Compensation so that the employee receives approximately 90 percent of the regular wage to which he or she is entitled.

Ms. Sorensen said that the Fire Department representatives requested that bereavement leave be increased from 30 hours to 48 hours, which would represent two full shifts. She advised that after checking with other cities, staff is recommending approval of this request.

Ms. Sorensen said that management would be meeting with the three employee groups in the near future to discuss OPEB (Other Post-Employment Benefits)). She reported that the proposed changes would be incorporated into the appropriate polices and Personnel Rules for

Council consideration. She added that management would continue to research some of the items that were submitted for consideration by the employee groups.

Councilmember Kavanaugh complimented management and the employee groups for their reasoned and positive approach to the issues during difficult economic times. He noted that his primary concern was the reinstatement of merit pay because of the impact on newer employees. He thanked staff and the employee groups for their efforts.

In response to a question from Councilmember Finter, Mr. Manning advised that staff would be reviewing the proposed Personnel Rules changes prepared by last year's task force as well the changes proposed in the attached documents. He explained that the Personnel Rules process takes approximately 90 days before the proposal is presented for Council approval.

Further discussion ensued regarding the fact that health insurance is available for surviving spouses; and that staff will provide the Council with information regarding the insurance available for surviving spouses and the costs.

Councilmember Somers thanked Mr. Brady and staff for their efforts regarding these issues. He concurred with the comments of Councilmember Kavanaugh, and he also expressed the hope that merit pay could be reinstated because of the impact on employees in entry level positions.

Mr. Manning clarified that although promotional opportunities still exist in both the Police and Fire Departments, there are fewer opportunities available. He added that the City does not want to lose a competitive edge to other cities in the Valley.

Mayor Smith thanked staff for the presentation.

2. Hear reports on meetings and/or conferences attended.

Councilmember Higgins: Neighborhood Economic Development Corporation (NEDCO) Open House.

Councilmember Richins: Ribbon Cutting Ceremony for the Hyatt Place Hotel at Riverview.

Mayor Smith: Naming Ceremony for the Cardon Children's Hospital.

Councilmember Kavanaugh: Reception for MACFest staff and volunteers.

3. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

Thursday, May 28, 2009, 7:30 a.m. – Study Session

Thursday, May 28, 2009, 9:00 a.m. – Audit & Finance Committee Meeting

Thursday, May 28, 2009, 6:30 p.m. – District 1 Building Strong Neighborhoods Event

Monday, June 1, 2009, TBD – Study Session

Monday, June 1, 2009, 5:45 p.m. – Regular Session

4. Items from citizens present.

Bryan Soller, President of the Fraternal Order of Police, addressed the Council regarding merit pay and stated that freezing merit pay could result in the City losing younger, qualified officers to other cities. He explained that the City's training investment of approximately \$125,000 is lost when an officer leaves Mesa for another jurisdiction.

5. Convene an Executive Session.

It was moved by Vice Mayor Jones, seconded by Councilmember Somers, that the Council convene an Executive Session at 8:05 a.m.

Carried unanimously.

- a. Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A(4)) Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3))

6. Adjournment.

Without objection, the Study Session adjourned at 8:05 a.m.

SCOTT SMITH, MAYOR

ATTEST:

LINDA CROCKER, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 21st day of May, 2009. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

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Attachments (3)