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ROBERT E. SHANNON City Attorney

HEATHER A. MAHOOD Chief Assistant City Attorney

MICHAEL J. MAIS Assistant City Attorney

August 3, 2010

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California PRINCIPAL DEPUTIES

Dominic Holzhaus Anne C. Lattime Monte H. Machit J. Charles Parkin

DEPUTIES

C. Geoffrey Allred
Gary J. Anderson
Richard F. Anthony
Amy R. Burton
Christina L. Checel
Randall C. Fudge
Charles M. Gale
Barbara J. McTigue
Barry M. Meyers
Cristyl Meyers
Howard D. Russell
Tiffani L. Shin
Linda Trang
Theodore B. Zinger

RECOMMENDATION:

Adopt resolution ordering, calling and providing for and giving notice of a special municipal election to be held in the City of Long Beach on Tuesday, the 2nd day of November, 2010, for the purpose of submitting a ballot proposition to a vote of the qualified electors of the City relating to the Civil Service Commission.

DISCUSSION

Pursuant to the request of the Charter Amendment Committee at its meeting of July 6, 2010, this office has prepared for your consideration the attached above-referenced resolution relating to the Civil Service Commission.

SUGGESTED ACTION:

Approve recommendation.

Very truly yours,

ROBERT E. SHANNON, City Attorney

Ву

HEATHER A. MAHOOD Assistant City Attorney

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OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH ORDERING, CALLING AND PROVIDING FOR AND GIVING NOTICE OF A SPECIAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF LONG BEACH ON TUESDAY, THE 2ND DAY OF NOVEMBER, 2010, FOR THE PURPOSE OF SUBMITTING A BALLOT PROPOSITION TO A VOTE OF THE QUALIFIED ELECTORS OF THE CITY

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. Under the provisions of the Constitution and laws of the State of California and the Charter of the City of Long Beach, a Special Municipal Election is ordered, proclaimed and called to be held in the City of Long Beach between the hours of 7:00 a.m. and 8:00 p.m. on Tuesday, the 2nd day of November, 2010, for the purpose of submitting to a vote of the qualified electors of the City of Long Beach the following proposition which, for identification purposes only, is marked as Proposition A.

Proposition A

Shall Proposition A, which amends the Long Beach City
Charter by transferring certain powers from the Civil Service
Commission to the City Manager, including examination and
certification for employment, classification creation,
maintenance of eligibility lists, and the appointment and
management of a professional staff, be ratified?

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PROPOSITION A

PROPOSED CHARTER AMENDMENT

(New provisions or language added to existing Charter sections are underlined; language deleted from the existing Charter section are shown in strikeout type.)

Section 1. That Section 300 of Article III of the City Charter of the City of Long Beach is amended to read as follows:

Section 300. - SELECTION AND QUALIFICATIONS.

The City Council shall appoint a City Manager who shall be the chief administrative officer of the City. The City Manager shall be responsible for the administration of all departments except the City Attorney, City Auditor, City Prosecutor, Civil Service Department, Legislative Department, Harbor Department and Water Department. The City Council, subject to veto by the Mayor and City Council override by a vote of two-thirds (2/3) of its members, shall appoint the person deemed best qualified on the basis of executive and administrative capabilities, with special reference to experience in, and knowledge of, accepted practices with respect to the duties of the office as set forth in this Charter. The City Manager shall be appointed for an indefinite period and cannot be removed from office except by a vote of five (5) members of the City Council, subject to veto by the Mayor and City Council override by a vote of two-thirds (2/3) of its members.

Section 2. That Article XI of the City Charter of the City of Long Beach is amended to read as follows:

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ARTICLE XI - CIVIL SERVICE

Sec. 1100. – PURPOSE.

The purpose of this Article is to establish a Civil Service system for the classified service to provide the City with a productive and qualified workforce by appointing, advancing, and retaining employees on the basis of their ability, knowledge and skills relative to the work to be performed. Sec. 1104.

NON-DISCRIMINATION. No person in the employ of the City or seeking admission thereto, shall be appointed, reduced, or removed or in any way favored or discriminated against for any reason which is non-job related, except where the law compels or provides for such action.

Sec. 1101. - CREATION OF CIVIL SERVICE COMMISSION.

There is hereby created a Civil Service Commission.

Sec. 1102.1100. - ORGANIZATION.

The Civil Service Commission shall be composed of five (5) residents of the City.

Sec. <u>1103.4101.</u> - POWERS AND DUTIES.

The powers and duties of the Civil Service Commission shall be:

- (a) Adopt and amend Civil Service Rules and Regulations, subject to the approval of the City Council;
- (b) Make independent investigations concerning the enforcement of this Article and the rules adopted;
- (c) Provide for the examination and certification for employment in the classified service:
- (d) Create classifications of employees in the classified service, subject to the power of the City Council to establish positions of employment;
- (e) Maintain eligible lists for classified positions, as needed;
 - (f) Appoint an Executive Director to carry out the purposes of this

 Article and the policies of the Commission. The Executive Director shall

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execute this directive through the appointment and management of a professional staff;

- (c)(g) Adjudicate appeals, subpoena and require the attendance of witnesses and the production of any documents pertinent to any Commission investigation or appeal, and to administer oaths to such witnesses;
 - (d)(h) Enforce and remedy violation of Commission rules;
- (e)(i) Make final decisions in any matter properly brought before it, in the absence of action to the contrary by the City Council.

 Sec. 1104.1102. CATEGORIES OF EMPLOYMENT.

The Civil Service of the City is hereby divided into the unclassified and classified service.

- (a) The unclassified service shall include:
- (1) All officers elected by the people and all employees of such elected officers;
 - (2) Members of all appointive commissions;
- (3) The City Manager and all employees of the City Manager's Department;
 - (4) The City Clerk and all employees of the City Clerk;
- (5) Department heads, one assistant department head in each department, bureau heads, division heads, and one clerical position for each;
- (6) Any classification which, at the discretion of the Commission, is of such a nature as to require unique and special flexibility for efficient administration.
- (7) The Executive Officer Secretary of the Board of Harbor Commissioners and Harbor Department Sales, Trade and Maritime Services

 Traffic and Promotion personnel, the Terminal Services Manager Chief

 Wharfinger and all personnel intermittently employed in handling cargo and

freight.

- (8) All personnel serving in non-career positions, as defined by the Civil Service Rules and Regulations.
- (b) The classified service shall comprise all positions not specifically included in this Charter in the unclassified service.
 Sec. <u>1105.</u>4103. DISCIPLINARY APPEALS.

No employee in the classified service shall be suspended, discharged or reduced in classification for disciplinary reasons until the employee has been presented with the reasons for such action specifically stated in writing. The employee shall have the right to appeal such action to the Commission in accordance with the procedures specified in its rules. The reasons for such action and any reply thereto by the employee, shall be filed in writing with the Commission.

Sec. 1106.1105. - PREFERENCES.

In all Civil Service examinations except promotional examinations, veterans passing the examination shall receive the Commission shall, in addition to all other credits, give to veterans passing the examination, a credit of ten (10) additional points.

Veterans as used herein shall mean all persons released or discharged from active service under honorable conditions in the Armed Forces of the United States or in the Coast Guard.

Such credit shall likewise be granted to the un-remarried spouses of veterans killed in action, who died of wounds or of a service connected illness and to the spouses of disabled veterans who themselves are not qualified for employment, but whose spouses are qualified. A disabled veteran is defined as a veteran possessing at least a thirty percent (30%) service connected disability certified by the Veterans Administration.

Documentary proof of eligibility for Veteran's Preference Credits and

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exemption from the eligibility limitation must be submitted prior to approval of the Eligible List. by the Commission. In the case of a tie grade between a veteran and non-veteran, the veteran shall be ranked highest.

Sec. 1106. - SUMMARY DISMISSAL.

Any appointive officer or employee of the City, except assistants, deputies, officers, clerks, employees and attaches holding office at the pleasure of an elective officer, may be summarily dismissed for the good of the service by the City Manager with the consent of two thirds (2/3) of the City Council.



City of Long Beach Working Together to Serve

Date:

July 27, 2010

To:

Mayor and Members of the City Council

From:

⊳Patrick H. West, City Managér

Subject:

Civil Service Charter Change

On July 6, 2010, the City Council received a presentation on a potential charter change to streamline our hiring systems by merging Civil Service and Human Resources and eliminating duplicative functions. Under this proposal (attached), the Civil Service Commission would continue to serve an important role in setting rules and regulations, hearing appeals, and investigate potential violations of the rules; however, the administrative functions of hiring, testing, creating classifications, maintaining eligibility lists, and other administrative duties would be handled by the Human Resources Department. This proposal would not make any changes to the City's current system of merit-based hiring, or any changes to the use of classified and unclassified service. Currently, the proposal is estimated to save \$400,000 per year.

Updated Election Costs

Subsequent to the July 6 Charter Amendment Committee meeting, the City Clerk received the following updated cost estimates from the County to hold an election on November 2, 2010. The initial cost to put forth a ballot measure is \$362,000. After initial costs are met, subsequent ballot measures will cost a flat rate – approximately \$49,000 per measure. The chart below provides a cost outline.

| Number of Ballot Measures | Total Cost |
|---------------------------|------------|
| 1 st Measure | \$362,000 |
| 2 Measures | \$410,000 |
| 3 Measures | \$459,000 |
| 4 Measures | \$508,000 |
| 5 Measures | \$557,000 |

Responses to Questions

Attached is a list of responses to the questions asked by the City Council on July 6, 2010. Please contact Debbie Mills, Director of Human Resources, at (562) 570-6140 should you have any questions.

(Attachments)

CC:

Robert Shannon, City Attorney

Suzanne Frick, Assistant City Manager Reggie Harrison, Deputy City Manager Debbie Mills, Human Resources Director

Lori Ann Farrell, Director of Financial Management

Mario Beas, Civil Service Executive Director

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Date:

July 6, 2010

To:

Mayor and Members of the Charter Amendment Committee

From:

Patrick H. West, City Manager + Co. 57

Subject:

Recommendation to deliberate on the topic of consolidation of the Human Resources Department and the Civil Service Department, and recommend to the City Council proposed language for a ballot measure for the November

2010 General Election to amend the City Charter

DISCUSSION

On June 22, 2010, a Special Meeting of the City Council was held to receive and discuss a presentation regarding Government Reform initiatives and efficiencies. One of the initiatives proposed by the City Manager was the consolidation of current Civil Service Department functions into the Human Resources Department as an efficiency measure both in terms of cost savings and streamlined service to our current and prospective employees. Under this proposal, the Civil Service Commission duties would be reconstituted to focus on handling appeals for employees in the classified service and recommending Civil Service rules and regulations, yet transferring the administrative tasks of the employment process to staff as is the model in nearly every other city.

Overview of Long Beach's Unique Structure

The City is unique in having both a Human Resources Department and a Civil Service Department that function independently from one another. The Civil Service Department currently consists of 16 full-time positions (one of which is unfunded), and the Human Resources Department currently consists of 29.5 full-time positions. The powers and duties of the Long Beach Civil Service Commission are similar to other jurisdictions, with the exception that, in Long Beach, the Civil Service Commission is burdened with administrative tasks that are handled by human resources staff in other jurisdictions. Other cities in California, both large and small, have one central department (e.g., Human Resources) that handles all of the personnel-related functions to avoid duplication and inefficiencies. Given the City's unique structure, there is an opportunity to merge these two functions to provide cost-savings and to better serve employees and the City's recruitment and hiring needs.

Recommendations from Prior Outside Review

The concept of a Human Resources / Civil Service consolidation has been a topic of discussion for several years and was reviewed in 2007 by Management Partners in an independent review of the City's recruitment, hiring and retention practices. This review recommended the City Charter be amended to provide for a single centralized personnel department encompassing the functions of both the existing Civil Service and Human Resources Departments. The report found that with the central personnel function bifurcated between the two departments, there is no clear mission, vision, values or practices related to hiring. Further, the report found

Mayor and Members of the City Council July 6, 2010 Page 2

disparities between the technology used to process and track employees. Additionally, both employees and applicants express confusion as to which entity is responsible for which employment function.

Potential Benefits

The following are some of the potential benefits from a consolidation of the two departments:

- The City could create a unified mission, vision, values, and processes for guiding all of the personnel practices of the City.
- The City could have integrated practices covering the full range of employee related issues, from hiring, compensation, orientation and ongoing employee development.
- The City could integrate the two technology systems to track applicants and employees.
- There would be clear linkage between workforce planning and the rules and processes in place to meet the City's needs.
- The professionals within the Civil Service Department are skilled in recruitment, outreach and exam preparation and administration, and could provide their expertise for all recruitments, whether classified our unclassified.
- The City would benefit from cost savings through the elimination of positions where duplication exists.
- The City would benefit from increased coordination in the potential placement and retraining of employees displaced through budget reductions and organizational restructuring.
- The timeliness for the appeals process would be improved, as the Commission would have additional time to hear appeals.

Civil Service Systems in Other Cities

The outside review by Management Partners revealed that the cities of Anaheim, Fresno, Los Angeles, Oakland, Sacramento, San Diego, San Jose and Santa Ana all have human resources functions combined into one department. In San Jose, for example, the city utilizes merit-based hiring and retains a Civil Service Commission, yet the functions are centralized in their Human Resources Department. In San Jose, all administrative functions are the responsibility of the Human Resources Director, with all matters pertaining to investigations and appeals under the purview of the Civil Service Commission.

Charter Amendment

The consolidation of departments requires a revision to the Civil Service Commission's responsibilities and authorities as stated in Section 1101 of the City Charter. Specifically, the proposed new role of the Commission will be to function as an appeals board for employees in the classified service, preserving this important independent function and service to our employees, yet transferring the

Mayor and Members of the City Council July 6, 2010 Page 3

administrative responsibilities to the Human Resources Department as is the model in other cities. The Civil Service Commission would continue to adopt and amend the Civil Service Rules and Regulations, subject to the approval by the City Council. However, the Civil Service Commission would not hire its own Executive Director or have a separate department to support it.

Under this proposed restructuring, the administrative tasks and support of the Commission would be handled by the Human Resources Department. Responsibility for the examination and certification of the classified service, creation of classifications, maintaining eligibility lists and other hiring functions will be handled by the Human Resources Department following Civil Service rules and regulations. Merit based hiring standards would remain, with employees hired on the basis of qualifications, skills and abilities. The City would continue to use a system of classified and unclassified service, and those definitions would remain unchanged.

This matter was reviewed by Deputy City Attorney Christina Checel on June 30 and Budget and Performance Bureau Manager David Wodynski on July 1 2010.

TIMING CONSIDERATIONS

Charter Amendment Committee action is requested on July 6, 2010 to facilitate an expedited review of the issue by the City Council. The deadline for ballot measures for the November 2, 2010 general election is August 6, 2010.

FISCAL IMPACT

Should the proposed consolidation be placed on the November 2, 2010 general election ballot, and approved by the electorate, the ongoing annual savings is estimated to be \$400,000. Since the election takes place after the start of the new fiscal year and a period of transition would be required, partial savings will be achieved in FY 11 with full savings achieved in FY 12.

It is estimated that the one-time cost of holding a November 2, 2010 consolidated election with the County of Los Angeles is between \$441,000 and \$460,000. Each additional measure would cost \$15,000. The total cost of a City of Long Beach citywide election in April 2012 is estimated at \$1,239,000. The cost of the April 2012 election is expected to be shared among three entities depending on the number of candidates running, with \$532,000 in City of Long Beach cost, up to \$342,000 from Long Beach Community College, and up to \$365,000 from the Long Beach Unified School District.

SUGGESTED ACTION:

Approve recommendation.

QUESTIONS FROM JULY 6, 2010 CHARTER AMENDMENT COMMITTEE

Question: What are the pros and cons of this Charter Change?

The July 6, 2010 memo outlines the benefits of this consolidation to streamline the hiring process and eliminate duplicative functions. This proposal preserves the Civil Service Commission, yet assigns some of the administrative duties to the Human Resources Department as opposed to a separate Civil Service Department. In terms of potential challenges of the consolidation, this proposal will be a change in the way the City currently operates, which may require some readjustment for departments and applicants. This will bring employees from Civil Service into the Human Resources Department, and will require time to engineer an effective and successful merger of those two staffs. Once the merger is completed, the duplicative functions will be streamlined and services are expected to improve. The Charter change will cost approximately \$362,000 to put on the ballot and one-time resources will have to be identified to pay for this cost.

Question: Have employee organizations been informed of the proposal?

Employee organizations have been informed of the proposed changes and will continue to be apprised of new developments as they occur.

Question: What is the jobs impact of this proposal?

Should the voters approve this measure, staff will carefully examine all aspects of both the Human Resources Department and the Civil Service Department to determine the optimal staffing model of a consolidated department. At this time, it is envisioned that the majority of the Civil Service staff will not be impacted by this proposal. The Executive Director position would be eliminated and consolidation of other management positions may occur, but the specific impacts will not be determined until the review is complete.

Question: Would Civil Service perform the same functions as they do now? Will appointments be made to the Civil Service Commission?

Under the new model, the Human Resources Department would provide hiring services for City Departments and administrative duties currently performed by Civil Service staff. The administration of these duties would continue to be governed by the Civil Service Rules and Regulations, consistent with current practice. The Civil Service Commission will continue to exist and serve as an appeals body, with new appointments to the board as necessary.

Question: How will the merit system be protected?

The merit system will continue to exist in the same manner that it does today, utilizing the same practices that currently exist. Civil Service classified positions will continue to be filled following Civil Service rules and regulations.