



## Avalon City Council Weekly Update 9-25-15

### City Manager's Office/Human Resources - Labor Negotiations and M.O.U.s

During the past nine months, the City's bargaining team and representatives from all three unions have met and conferred in good faith. The City and its unions have reached tentative agreements on the terms and conditions of proposed Memoranda of Understanding (M.O.U.) governing the employees of the City of Avalon, for the three-year period of July 1, 2015 through June 30, 2018. These contracts will go before the City Council for proposed adoption in October to memorialize the new terms and conditions of employment, and serve as the day-to-day tool for communicating labor and management's understanding of those terms. Highlights of the proposed M.O.U.s include:

- Providing wage rate increases that slowly bring those rates into closer alignment with the City's labor market;
- Reducing the City's unfunded pension and post-employment retirement benefits;
- Reducing the City's contribution to health benefits;
- Implementing cost-control measures;
- Addressing existing compensable leave balances;
- Revising contract language to clarify management's right to flexibly control costs to meet the City's needs into future years.

The City had been operating with expired labor contracts with the Avalon Municipal Employees Association (AMEA), Avalon Harbor Employees Association (AHEA), and International Association of Fire Fighters Local 2295 (IAFF) since 2012 or earlier. No updates had been made to reflect the terms and conditions of employment and legislative changes, such as the Affordable Care Act, California's new sick leave law, nor pension reform. The recently completed Koff & Associates compensation study reported that employee salaries had fallen behind the market median by more than 7% overall. This information was used in negotiations to provide factual information to align the City's compensation practices with local labor markets. The proposed M.O.U.s seek to provide fair and equitable compensation by addressing and correcting compensation practices and the resulting employment incentives that are inconsistent with the best interests of employees and the City, which are the direct result of under-market wages and over-market benefits.

The City's main costs for labor are wages, retirement benefits, health insurance benefits, and post-employment benefits. The proposed M.O.U.s enable the City to project these four costs reliably. They also require employees to participate in paying for their benefits, which should enable the City to plan more methodically if cost changes in these benefits occur. This increases certainty around costs for the City, which is foundational to achieving one of the City's core strategic objectives: long-term financial stability. Only through the achievement of long-term financial stability will the City be in a position to fulfill its core mission of improving the quality of life for the residents and visitors of Avalon, and this stability also creates an environment consistent with authentic employment security.

## City Manager's Office - Cabrillo Mole Outreach Project Draft Schedule

Below please find the proposed draft Cabrillo Mole Outreach project schedule – this is approximately 80% final, so please understand that some activities and dates may slightly vary once finalized:

Week of Sept 28	Soft Launch of Project Website and Online Survey for Approval Approval of Logo for Brand
Oct 2	Launch Site and Amenities/Site Survey
Oct 14	Meetings with Catalina Express / Catalina Flyer Management (TBD) Lion's Club Presentation
Oct 15	Meetings with Cruise Operators Meetings with CIVR Meeting with Santa Catalina Island Company Meeting with Catalina Island Conservancy
Oct 16	Walking Tour of the Mole
Oct 17/18	Intercept Interviews with Catalina Express/Flyer Passengers (From Long Beach/Leaving Avalon during Jazz Trax final weekend)
Oct 19	Chamber of Commerce Sponsored Presentation City Council Chambers
Oct 21	Rotary Club Presentation

## City Manager's Office - 9/21 Water Consortium/SCE Mtg.

The Island Water Consortium met with Southern California Edison on Monday of this week as part of the ongoing dialogue with the utility, and within the Consortium's role as a "watchdog"/advisory body. Present from the Consortium were representatives from the City (Ben Harvey), the Santa Catalina Island Company (Randy Herrel and Geoff Rusack), the Conservancy (Ann Muscat, John Mack and Tony Budrovich), the Chamber of Commerce & Visitor's Bureau (Jim Luttjohann), the Hamilton Cove Homeowner's Association (Norris Bishton), as well as the Consortium's consultant from California Strategies (Jared Ficker). Present from SCE included Ron Nichols, Greg Feree, Russ Archer, Tony Edeson, Ryan Stevenson and Ron Hite.

Notable topics of conversation included:

- SCE's planned submittal of an Advice Filing to the California Public Utilities Commission (CPUC) requesting to **NOT** require a 50% water reduction from baseline use by **NOT** entering into Phase 3 water rationing due to the additional desalination plant coming online in the Fall (even if the Thompson Reservoir drops below the 200 acre foot level)
- Timing for the desalination plant to be operational, which is now anticipated for late October (SCE has slowed the construction schedule due to the island's continued water savings and the extraordinary costs associated with an accelerated construction schedule)

- SCE's proposed submittal of an Advice Filing with the CPUC within the November timeframe whereby SCE seeks to recover costs from Catalina Island water ratepayers related to the ongoing drought
  - SCE pledged to meet with the Consortium prior to submitting the proposed drought recovery Advice Filing such that the Consortium would have the opportunity to first review what was being proposed, as well as any proposed timeline for potential water rate increases for Catalina Island customers
- SCE pledged to meet with the City to accelerate efforts to seek potential grant relief from the Prop 1 water bond related to the additional desalination plant, as well as any other potentially eligible water projects on Catalina Island

We will keep you posted as to when the next Water Consortium/SCE meeting is scheduled to take place.

#### City Manager's Office - Whatever, USA event

The City received reimbursement from Mosaic for municipal services rendered during the Whatever, USA event that took place in Avalon back in May. The \$155,000 reimbursement from Mosaic allowed for full municipal cost recovery. Upon receipt of the reimbursement, the City returned Mosaic's \$300,000 deposit, which had been held in the event the City incurred any damages as a result of the event (the City did not). A comprehensive stakeholder Whatever, USA debrief from the event is tentatively scheduled for October 14<sup>th</sup>.

#### Finance Department/Successor Agency – Governor Brown Signs SB-107

On Tuesday, Governor Brown signed Senate Bill 107, which contains significant changes to redevelopment dissolution laws and several unrelated items. The bill was introduced in print on the last day of session and quickly approved (Note: Avalon's Assembly Member, Patrick O'Donnell, voted NO on the bill).

According to Avalon's consultants, RSG, the main impacts on the City will be:

- Avalon's Oversight Board was scheduled to terminate and transfer its duties to a county oversight board in July 2016, but now that date has been pushed out to July 2018
- Starting with the next submission, Recognized Obligation Payment Schedules (ROPS) will be submitted once annually for the entire fiscal year, rather than semiannually for each half of the year.
- Going forward, legal costs must be paid out of the administrative cost allowance. Previously, Avalon had claimed from \$60,000 to \$119,000 annually for legal costs related to implementing projects outside of administrative costs.

How the State Department of Finance will interpret many of these new changes is still unknown. More information can be found about SB 107 at [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160SB107](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB107)

#### Public Works Department – Saltwater Repair - Claressa

Staff continues to collect info, and is making recommendations for improvements to our salt water system. As many people are aware, this system is crucial to our needs as it serves households, reduces fresh water demand, and is essential for our firefighting capabilities. However, repairs to the system are necessary when leaks appear. Just this week we had another shut down of the salt water system on Claressa.

These outages are not welcomed by any, but the system is old and many fittings are deteriorated. Staff is in the process of developing a plan for yearly replacements and repairs. We will continue to ask the public for their cooperation during any future shutdowns, but more importantly, for the continued understanding of our ongoing problems with the system. We also thank our working partner on the system, Environ Strategies (ES), for their assistance and diligent actions.



#### Public Works Department – Repairs at Waste Water Treatment Plant - Hatches

Down Pebbly Beach area, the City's Waste Water Treatment Plant (WWTP) continues to process our sewage that is collected throughout the City, and other neighboring communities. It is an essential facility that frankly, is one of the most important systems on this island. The vast amount of wastewater collected goes through several stages of filtering and cleaning, then reaches a state of acceptable standards (state mandated requirements), to be returned back out to sea where it will be disposed of in a safe and effective manner.

As is with our other infrastructure facilities, the WWTP is critical and must be properly maintained and repaired when required. The Public Works Department staff assists by making remedial repairs. Just this week we have started to repair some old deteriorated hatches (access to the floor below), that were in danger of collapsing. The picture below shows the work of our master fabricator, Phil Hernandez. We thank Phil for his expert workmanship, and also, the rest of the staff, both City, and ES, for their concerns, awareness, and positive actions.



#### Public Works Department / Capital Improvements

Over the years, and just recently, the leaking City Hall roof had discolored and dampened the insulation and upper ceiling members which created the need for replacement. Fortunately now

however, this situation should not occur any longer as the building is receiving a new roof in the effected areas.

The picture below shows our own Jeffrey Hernandez, one of our jack-of-all tradesman, as he diligently cuts and forms the replacement materials that are needed. As always, we thank Jeff for his hard work, plus the extreme care and attentive actions he demonstrates on a daily basis.



#### Public Works Department /Capital Improvements– Sewer Cleaning/Jetting Activities

It is necessary to clean the interior of our sewage collection piping frequently, and especially on an as-needed basis. Not only does this activity improve flow and movement of the wastewater, it helps eliminate odors, and benefits the longevity of the piping.

In compliance with the Cease & Desist Order (CDO), this activity is one of many that have started on a systematic basis, and is one component which supports our efforts in producing good results during our bay water testing activities. We thank all staff involved in this effort for their commitment and effective work.



## Harbor Department – Avalon Bill Fish Challenge

The Avalon Bill Fish Challenge hosted by Russ Armstrong was held on Monday September 21st and Tuesday September 22nd. Numerous marlin were caught and released as shown in the photo below with the vessel “Ruccus” displaying 16 tag and release flags!



## Fire Department Weekly Significant Items Summary:

- Several calls for severe hand injuries related to boat handling were received over the past week. Some of these injuries required medevac transport to the mainland due to the severity.
- This weekend will have the Catalina Film Festival in town. The same outlay as in previous years will allow for emergency access.
- The Avalon Fire Department is kicking off its new Emergency Medical Information Form for the public. This form is completely voluntary and allows for medical information to be readily accessible for emergency responders in the home. The form is available at Avalon City Hall and the Avalon Fire Department free of charge. The instructions are easy to follow and the form allows for the persons name to be displayed on the outside, yet cover the forms medical contents when folded. Persons are encouraged to keep the form updated and have one available for all members in their home. The form is of a high visibility color and the instructions direct persons to place it on the refrigerator door as an area emergency responders should look for it if available.

## Recreation Department - Youth Soccer League

This year's Youth Soccer League has 158 participants ages 4-14 years. For the first time the department created an all-girls division of 10-14 yr. olds: 18 girls are in the division this year, in contrast to the 4 girls who played in that age group last year. Additionally, thanks to the hire of part-time Recreation Aide Jose Montano there is now scheduled a skill development day every Saturday at Joe Machado to allow participants to learn skills without the pressure of competition.

## Recreation Department- People's Park Commemorative Brick Ribbon Cutting

This past Saturday, September 19th the Recreation Department Staff, along with community members and purchasers of commemorative bricks celebrated the official opening of the first set of commemorative bricks at People's Park. Since all funds raised from this program go to park improvements, local children helped cut the ceremonial ribbon. Bricks are still available for purchase, and installation will be ongoing. Bricks may be purchased at City Hall, by mail, or online at [www.thatsmybrick.com/AvalonCA](http://www.thatsmybrick.com/AvalonCA). Additional requests for park improvement funds will be part of the CIP review as a budget amendment item.



Respectfully submitted,

*Ben Harvey*

City Manager