

CITY OF BLUE ASH
Interoffice Memo - City Manager's Office

TO: City Council
FROM: City Manager and Department Directors
SUBJECT: Agenda Items for the October 22, 2009 Council Meeting
DATE: October 21, 2009
COPIES: Department Directors, Press, Clerk of Council, Solicitor

The following offers a brief description of the topics included on the October 22 Council agenda:

9.a.1. Ordinance No. 2009-62 - Transferring funds

Although the attachment to transfer Ordinance No. 2009-62 appears lengthy and complex, in essence it addresses only three issues that need to be done to align our appropriations at this time.

The first issue involves additional revenue and expenditure appropriations with the fund prefix "282" which relate to the second year of the City's administration of the OVI grant. As Council may recall, the City of Blue Ash Police Department is the administering agency for the OVI (Operating a Vehicle While Impaired) program, and last year the grant was administered under Fund No. 281. Since the grant year does not align with our accounting year (the grant is awarded under the federal fiscal year), we need alternating funds separating the grant revenues and expenses. In this transfer, \$60,000 in revenue and expense is appropriated in the new fund to take care of the October and November activity of the OVI team.

The second item involves a request from the Facilities Maintenance Superintendent to shift \$48,000 from the maintenance of facilities account in the General Fund to operating supplies in Facilities Maintenance. It is difficult to predict a year ahead which projects will be done by outside contractors (and those which will be handled in-house) through the purchase of supplies and materials.

All of the other items listed on the attachment can be attributed to the City's shift from the existing Humana high-deductible health insurance plan to a similar plan provided through UnitedHealthCare effective November 1, 2009. Last year, the change from a traditional plan to a high-deductible plan was implemented along with the creation of a health reimbursement account (HRA), as well as a flexible spending account (FSA) which together could be utilized by employees for pre-tax payment of eligible medical expenses and deductibles. Similar accommodations were included about this time last year to address the need for pre-funding FSA's as well as the City's HRA, which represented the City's contribution relating to the high-deductible plan.

Beginning with the health insurance plan year of November 1, 2009, the intent is to switch to a qualified high-deductible plan through UnitedHealthCare, the elimination of the HRA, but a "renewal" of the FSA and the introduction of a new health savings account (HSA) that provides a number of very beneficial attributes to assist employees and the City in managing overall health insurance costs.

The accommodations reflected on the attachment provide for funding the renewal FSA in advance of the necessary availability date of November 1, 2009, recognizing advances to, and revenue within, the FSA Fund No. 902 for the coming year, and also reflects related expenditures in those areas. Because the actual "life" of a FSA extends for 15 months (3 months beyond the end of the plan year), it is necessary for the City to maintain both Funds 901 and 902 for the remainder of this year and to include them in the Budget for 2010.

It is interesting to note that the overall impact of this transfer ordinance results in a net increase in the current funding availability within the City's "land bank" account in Community Development. A reservation of funds had existed at the beginning of 2009 for the City's potential purchase of the residential dwelling behind the old Incahoots location on Prospect Avenue. Given that negotiations for the acquisition of that property have proved unsuccessful, closing the purchase order "liberated" \$145,000 of 2008 funding in the "land bank" area, a portion of which was used to accommodate the health insurance adjustments reflected on the attachment. The net impact will be an increase of almost \$50,000 in the "land bank" account, following favorable consideration of this transfer by City Council.

Please direct questions related to this transfer or the health insurance change to the Treasurer.

9.a.2. Ordinance No. 2009-61 - Authorizing collective bargaining agreement with the International Association of Fire Fighters (Local 3203)

The City entered into labor negotiations with the IAFF Firefighters in late February 2009. An impasse was reached in the negotiations effort in April 2009 and subsequently both parties agreed to engage in the factfinding process. Factfinding was completed in a 12-hour session on August 27, 2009. In the resulting report, factfinder Molly Bower's found overwhelmingly in favor of the City's position. The IAFF Firefighters did review the report and have voted to accept her findings. Therefore, both parties have agreed (subject to Council's approval) to changes in the collective bargaining agreement as outlined below. Of particular note are the changes in the insurance clause and wages.

- References to "Assistant City Manager" were removed and replaced with "City Manager or designee."
- All references to "employee" were changed to "firefighter" and the contract was made gender neutral throughout.
- **Article 15 Layoff and Recall** language was revised to increase notice time for employees from 10 days advance notice to 30 days advance notice for long-term layoff; from "as soon as possible" to 5 days to for short-term layoff; layoff by seniority rather than classification within the bargaining unit; part-time employees may be recalled from a layoff only if all full-time firefighters refuse to go to part-time status.
- **Article 17 Work Period and Overtime** revised to reduce notice from 5 days to 3 days that employees are required to give when requesting use of compensatory time.
- **Article 19 Wages and Compensation** changed to reflect a 2.5% wage increase for 2009 and 2010; and 2011. This increase will be retroactive to February 22, 2009.
- **Article 20 Working Out of Classification** revised to clarify that employees on overtime will not be eligible for shift supervisor assignment (no pyramiding of overtime with shift premium).
- **Article 21 Trades** was amended to increase the flexibility of trades – reducing minimum trade hours from at least 6 hours to increments of 4 hours; reducing submission requirements for weekend trades; and reducing notice time for all trades from 12 hours to 6 hours.
- **Article 22 Special Events** was changed to remove Airport Days as an event eligible for the provisions of this Article. Additionally, clarification was made that 40 hour work week employees qualify for a rate of 1 ½ regular rate of pay for hours worked outside of their normally scheduled shift.

- **Article 24 Longevity** was amended to increase longevity from \$4.00 per month to \$5.00 per month of eligible service making the Longevity Article consistent with the City of Blue Ash Code of Ordinances for non-bargaining unit staff.
- **Article 25 Insurance** was revised to reflect the health insurance provisions in place for all other bargaining units and non-bargaining employees. Specifically, the City will pay the same percentage of monthly premium for Firefighters as it does for all other non-bargaining unit employees; the employee's share of the premium will not exceed 5% in the first year: 7.5% in the second year: 10 % in the third year of the agreement; the Employer will offer an IRS 125 plan allowing employees to make premium contributions with pre-tax dollars; a second health plan will also be offered with no premium expense at a cost to the City which will not exceed 105% of the City's premium cost for the first plan; \$2000 available annually, paid on a monthly basis, for those who opt out of health coverage through Blue Ash and show proof of coverage elsewhere.
- **Article 28 Holidays** was amended to allow Firefighters eligibility for overtime for all actual hours worked, rather than capping them at 12 hours of overtime per Holiday.

Additionally, this issue was clarified for employees who are assigned to a 40 hour work week. Such employees will receive a paid leave of absence for the Holidays listed in Article 27, rather than being eligible for Holiday pay.
- **Article 28 Vacation** was revised in regards to the timeframe to submit a vacation leave request which was reduced from (10) ten days to (5) five days.
- **Article 29 Sick Leave** was amended to reflect the existing language in the Blue Ash Code of Ordinances regarding sick leave payouts upon retirement of non-bargaining unit employees. The new language states that upon retirement with less than (12) twelve years of full-time service with the City of Blue Ash, a Firefighter will be eligible for (2) two hours of pay for every (8) eight hours of unused sick leave (not to exceed 960 hours). Conversely upon retirement with (12) twelve years or more full-time service with the City of Blue Ash, a Firefighter will be eligible for (3) three hours of pay for every (8) eight hours of unused sick leave (not to exceed 960 hours). Grandchildren were added to the Funeral Leave section of the Article. Finally, the amount of approved donated sick leave that can be received per employee was reduced from 2080 hours to 1380 hours to make it consistent with the Code of Ordinances as well.
- **Article 33 Light Duty** was revised to replace "disability" with "work restrictions" and clarified that employees who receive a light duty assignment will be paid according to the schedule to which they are assigned. Furthermore, the City would be under no obligation to create light duty assignments.
- **Article 38 Fair Share Fees** was added to the agreement and is standard language in such contracts. It allows the union to charge prorated union dues (fair share fees) to members who are not with the IAFF.
- **Fire Inspector Memo of Understanding (MOU)** respective to the duties of an Inspector as well as the provisions for the 40 hour work week to which an Inspector is assigned, will be attached to the agreement and followed for the three year duration of this contract.
- The effective date of the new contract is expected to be October 22, 2009, with only the wages component being retroactive to February 22, 2009.

Dinsmore's labor specialists are currently working on a few "language clarifications" with our HR team and the attorney for the IAFF, and we should be able to E-mail the Agreement to Council on Wednesday. Please direct questions regarding this ordinance to the Treasurer or the Human Resources Officer at 745-8530 (or via e-mail to mmain@blueash.com).

9.b.1. Ordinance No. 2009-63 - Amending Ordinance No. 2009-45 regarding the 2009 sidewalk program

City Council awarded the 2009 Sidewalk Project to Adleta Construction on August 13, 2009, via passage of Ordinance No. 2009-45, for an amount based on unit quantity estimates of \$337,025.50. Under this contract, new sidewalks and Americans with Disabilities Act (ADA) ramps will be constructed on Creek Road and Mohler Road and at the intersections of Cooper Road/Plainfield Road and Hunt Road/Plainfield Road. The construction is currently underway and is scheduled to be completed by November 30, 2009.

In an effort to further the City's connectivity goals and extending sidewalks to areas not currently served by sidewalks, the change order addressed in Ordinance No. 2009-63 adds a new 8-foot sidewalk, curb and gutter, and ADA ramps on Plainfield Road from Glendale Milford Road to Foxhollow Drive. Additionally, changes will be made to two intersections to better facilitate pedestrians crossing the roadway. The Reed Hartman Highway/Cornell Road intersection will be modified to add a crosswalk on the west side of the intersection with appropriate ADA ramps. The Reed Hartman Highway/Peppermill Lane/Plainfield Road intersection will be modified to move the crosswalk from the south side of the intersection to the north side to alleviate some of the conflicts created by motorists turning right from Plainfield Road. Finally, some ADA ramps on Creek Road that do not meet City standards will be replaced. The estimated total cost of this first change order is \$148,656.25, and is within the overall budget for the 2009 Sidewalk Program.

Please address questions regarding this ordinance to the Public Works Director.