



## **CITY OF COMMERCE AGENDA REPORT**

**TO:** HONORABLE CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING THE LETTER OF AGREEMENT BETWEEN THE CITY OF COMMERCE AND CCEA RELATED TO THE IMPACTS OF THE COVID-19 PANDEMIC ON THE CITY'S ECONOMIC CONDITION AND LOSS OF REVENUE

**MEETING DATE:** August 4, 2020

---

### **RECOMMENDATION:**

The City Council will formally consider for approval and adoption a Resolution approving the attached Letter of Agreement between the City of Commerce and City of Commerce Employees Association related to the impact of the COVID-19 pandemic on the City's ability to provide services, economic condition and severe, sudden and sustained loss of critical revenues.

### **BACKGROUND:**

The City Council passed a resolution on March 16, 2020 declaring a local state of emergency and passed a resolution on March 25, 2020 declaring an economic emergency related to the COVID-19 pandemic.

The City Council passed a resolution on April 7, 2020 approving a letter of agreement between the City of Commerce and the City of Commerce Employees Association (CCEA), representing full-time and part-time employees units related to the impact of the COVID-19 pandemic on The City's economic condition and loss of revenue.

The City Council passed a resolution on May 19, 2020 approving a letter of agreement between the City of Commerce and the City of Commerce Employees Association (CCEA), representing full-time and part-time employees units related to the impact of the COVID-19 pandemic on the City's economic condition and loss of revenue.

On July 21, 2020, pursuant to Section 2(b) of Article XIII C of the California's Constitution, the City Council unanimously passed a resolution declaring a fiscal emergency, and as a result City Council made findings that it was necessary and appropriate to submit a local tax measure to the City's voters at a Special Election that will take place on November 3, 2020.

The City of Commerce Employees Association (CCEA), representing full-time and part-time employees units and the City of Commerce (City) have met and conferred regarding the continued impact of the COVID-19 pandemic on the City's economic condition and continued loss of revenue.

The contents and points of discussions in the approved Letter of Agreement is recommended for City Council's approval based on those discussions and the current circumstances the City faces. The Letter of Agreement is based on what is informally known as "Scenario D", which is a more equitable alternative than Scenario A, which would have created some situations where reductions were not equal amongst several positions. At this juncture, the City will not pursue Scenario A, should the Letter of Agreement be approved. It should be noted that the Letter of Agreement which is attached, is in draft form, subject to revisions and corrections deemed necessary by the City Council and mutually agreed upon by the Commerce City Employees Association.

### **FISCAL IMPACT:**

The total financial savings and costs associated with the actions indicated in the Letter of Agreement is estimated to be at least \$659,500 for represented full-timers and part-timers. That number will fluctuate based on the number of part-timers that return to work and some of the other related benefits which change on a case by case basis.

### **ALTERNATIVES:**

The City Council can take the following action:

1. Approve staff recommendation
2. Revise staff recommendation
3. Provide staff with further direction

### **RELATIONSHIP TO STRATEGIC GOALS:**

This agenda report relates to the 2016 City of Commerce Strategic Guiding Principle – City Organization, as follows: Implement city business processes and operational efficiencies to streamline the cost of government including the examination and identification of cost of services and cost of recovery policies.

Prepared by: Ela M. Pappo, Director of Human Resources  
Reviewed by: Vilko Domic, Assistant City Manager  
Reviewed by: Josh Brooks, Acting Finance Director  
Approved as to form: Noel Tapia, City Attorney  
Respectfully submitted by: Edgar P. Cisneros, City Manager

Attachment:

- 1) Letter of Agreement between Commerce City Employees Association and City
- 2) Resolution