

**SPECIAL CITY COUNCIL MEETING  
CORONADO CITY HALL  
1825 STRAND WAY  
CORONADO, CALIFORNIA  
MONDAY, JUNE 25, 2007**

The Special City Council Meeting was called to order at 3:00 p.m.

**1. ROLL CALL:**

**Present:** Councilmembers Downey, Monroe, Ovrom, Tanaka and Smisek

**Absent:** None

**Also Present:** City Manager Mark Ochendusko  
City Attorney Morgan Foley  
City Clerk Linda Hascup

**2. COMMUNICATIONS - ORAL: Mayor Smisek opened oral communications.**

Therese Dougherty, 839 G Avenue, spoke regarding Coronado's Fire operations, the safety of Coronado's citizens, and the use of outside agencies when the fire incidents require more equipment than what Coronado has. She asked what the advantage is to not putting the money into our Fire Department and to show why they Council isn't paying the firefighters what they should be paid. She said that the City Council needs to make the right decision.

Susan Heavilin, 1144 Isabella Avenue, commented said she is ashamed of Coronado's Fire Department and suggested that the City needs to take care of its employees better. She said the citizens want trucks, ladders, water, and ways to put out our fires. She advised the Council to pay the firefighters what they are worth.

Ledyard Hakes, 321 Pomona, said if he is ever elected to the council he could do what this council is not doing. He said he is dismayed with the handling of negotiations. Coronado's citizens deserve better from a safety and equipment viewpoint. He questioned how 7.5% became 5% and suggested it was a penalty because the firefighters didn't agree.

**3. CITY COUNCIL BUSINESS:**

**3a. Resolution of Impasse Between City and the Coronado Firefighters' Association (CFA) Regarding Compensation and Benefits Pursuant to City of Coronado Employer-Employee Relations Resolution. (Pg 001)**

City Manager Ochenduszkowski said the city had been in negotiations with the CFA for a long-term agreement for wages and benefits, and have come to impasse. He outlined the process for the hearing. He advised that both parties would have a time limit of 10 minute to speak. He advised that the three options available to the City Council are to 1) implement the City's last, best, and final one-year proposal, 2) to implement the CFA's last, best, and final proposal, or 3) to take no action.

Mayor Smisek opened the floor to the speakers. The Coronado Firefighters Association chose to not make a presentation.

Leslie Suelter, Director of Administrative Services, presented an outline of the terms of the negotiation.

Councilmember Tanaka asked for clarification on education benefits. He asked if it was correct that the CFA proposed that an engineer with a BS degree would be in line for a 26% increase while base amount would be 10%. Ms. Suelter indicated that was true.

Councilmember Monroe asked why the spread was so wide in the educational benefits. Ms. Suelter said that the spread takes into account that some years few people would use the benefit, while in other years many would use the benefit.

Councilmember Downey clarified that the discussion regarding the 3% at 50, something she never heard before is that "all the other fire departments do this". Ms. Suelter said that not all have the EPMC benefit, but it is not uncommon. Mr. Ochenduszkowski added that the Coronado Firefighters' most recently negotiated retirement benefit enhancement was 3% at 50, but does not include EPMC, which preceded that.

Ms. Downey asked if 3% at 50 is it now accepted as the standard. Mr. Ochenduszkowski said it is his understanding that most fire departments in San Diego County have 3% at 50. Many, but not all have EPMC.

Councilmember Monroe asked how Social Security enters into the equation. Ms. Suelter responded that safety members do not have social security.

Mayor Smisek said that now the presentations and questions are completed it is time to take a position and reiterated the options.

Councilmember Ovrom said he remembered last October or November during the campaign he met with the Firefighters Association. The issues boiled down to the fact that they were in the 1<sup>st</sup> third or quarter of pay and had some equipment issues. He found that they were right. Since then some things have been done about equipment. This offer looks like an attempt to get them out of that bottom third. Where the city has been going is to attempt to bring them up to the middle. With the exception of one issue, the 3-year contract positions were very close together and he is

very disappointed that there wasn't an agreement on the 3-year settlement because they could have walked away with a better deal. As far as he is concerned, taking no action is not an option. It doesn't get them out of the position they are in now. The CFA's last, best, and final is something he could not support either.

**MSUC (Ovrom/Monroe) moved that the City Council, adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, THAT A) IMPLEMENTS THE ELEMENTS CONTAINED IN THE CITY'S "LAST, BEST, AND FINAL" ONE-YEAR PROPOSAL DATED April 16, 2007, AND B) IMPLEMENTS THE CHANGES TO COMPENSATION BENEFITS EFFECTIVE WITH THE PAY PERIOD ENDING JULY 6, 2007; and to direct staff to reflect the aforementioned changes in the forthcoming Compensation Plan for FY 2007-08 which will be presented for adoption on July 3, 2007.**

Councilmember Tanaka said what stands out in his interview with the CFA was that he was asked about a 12% raise. He said point blank at that time that he couldn't in good conscience support a 12% raise. This is his fifth year on the Council and the pay increases we have typically voted for have been 3, 3 1/2 or 4 %. Last year we imposed 5%. You can't run for office saying you are fiscally conservative and then vote for 12% increases or more, or you will be un-elected. Mr. Tanaka stated that he is committed to two principals: to be fiscally conservative and would prefer to pay at the median or above it, not just for Police and Fire, but for all the groups in Coronado, but he couldn't support getting to the median in one year. He can't support the CFA's one-year deal, and hopes we can get closer on a two or three year deal in the future. If you study the 2 3-year deals you will see that we weren't that far apart. If you survey the different fire departments around the county, there aren't too many fire departments who can say they have had 5% pay raises two years in a row. He agrees with the motion on the floor and can't really see any alternative to it.

Councilmember Monroe responded to Ms. Dougherty's question why it is good thing to save money. There are many reasons and he would like to speak with her off-line because she deserves an answer. Has said to the Council before – it has been our policy to be within 3 or 4% of median. But from his background as a mathematician, it is just not good management sense for everyone to chase the median. We do look at the market and if we are within 4% of the median we are in pretty good shape with the other cities in the County. There will always be a median and half the cities will be above and half will be below.

Councilmember Downey said this is the hardest for her as a strong supporter of our unions. She is particularly hurt that we haven't been able to make a deal. There is a difference between equipment and salary. She voted against getting the quint because she felt we need the full equipment, an engine and a ladder truck, but that is an entirely different matter. Regarding salary, you have to decide as an employer what salary does. Do you pay what you think the work is worth, do you pay your employees because you are afraid they will be taken away if someone else pays them better, or do you pay them well enough to pay their bills and keep up with inflation? Our City has repeatedly tried to continue to give increases to our employees through the years, through good times and bad times, regardless of what the market is doing. That has been our practice, whether or not it is the right way. When we talk about the reserve, we try to let people know we can't spend it any way we want. We need to have reserves. They

are for the rainy day when something happened and we need money. It isn't to pay the yearly bills. When you make a commitment to raise your costs you have to pay that every single year and that will deplete the reserve. To be a fiscally prudent city you have to be able to pay whatever salaries out of your current revenues, not out of your reserve, because eventually it goes down to zero and then what will you do? Tell everyone they are laid off and we can't pay you. We found out at our last meeting that we are already going into the red for the next two years. We don't have the current revenue to pay the bills we have. It is important that our constituents know this.

Ms. Downey said she is saddened beyond belief that we could not get the three-year deal because we were so close. However she is extremely happy that the death benefit is included in the deal this time. Ms. Downey firmly stated that she does not want to have a special meeting again next year. She wants to do this during a regular council meeting and strongly recommended that negotiations start in a timely manner - early enough to not have to call a special meeting again.

Mayor Smisek commented that every time the City goes into negotiations with employees the goal is to give fair compensation for work done and for the future. People who say we are losing employees are just not aware of the facts. We've had great retention. We have great employees, and are proud of it. He was on the City Council when National City gave its employees a 5% cut and got rid of some employees. Coronado gave a 2% raise. This is the second year CFA has received 5%. That is more than we have ever given in the past since he has been on Council. This is fair – in a positive manner. Mayor Smisek said that the City is working on the equipment. He is not apologetic. He reminded that he was also a union member at one time, so he knows how it works. If you want a nice package you need to cooperate and be realistic

**The Resolution was read by Title, the reading in its entirety unanimously waived and adopted by Council as RESOLUTION NO. 8232.**

**AYES: Downey, Monroe, Ovrom, Tanaka, and Smisek**  
**NAYS: None**  
**ABSENT: None**

**4. ADJOURNMENT.** The meeting adjourned at 4:46 p.m.

Approved: July 3, 2007

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Tom Smisek, Mayor  
City of Coronado

Attest:

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Linda K. Hascup  
City Clerk