



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 27

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Human Resources Department
MEETING DATE: August 16, 2021
SUBJECT:
Merit Employees COVID-19 Recognition Pay

RECOMMENDATION:

Adopt a Resolution to appropriate \$879,314 from the available fund balance in various operating funds to provide \$2,000 per merit employee who worked between March 17, 2020 and May 30, 2020 in recognition and appreciation for their efforts during the initial COVID-19 Emergency Shelter in Place Order.

BACKGROUND:

On March 16, 2020, in conjunction with the County of San Mateo's emergency Shelter-in-Place order and subsequent State of California's Stay Home Order, the City of San Mateo closed most of its facilities to the public and slowed or shut down non-essential operations. This enabled the City to focus on safely providing essential services and to develop a COVID-19 response plan for ongoing operations.

The San Mateo County Health Officer's updated April 29, 2020 order began to relax some restrictions, which prompted the City to expand its operations. Based on this health order, a "soft" re-opening of City Hall began on June 1, 2020. In preparation for this, a task force worked to ensure the City was prepared to open safely and adhere to all County and State protocols related to social distancing and cleaning.

During the time between March 17 and May 30, 2020, merit staff across the entire organization adapted quickly to rapidly changing circumstances and continued to provide services in person and remotely. They accomplished this through creativity, innovation, and working collaboratively as one organization. Examples include staff working outside their normal job roles in the City's emergency operations center or through reassignment projects to best meet the community's immediate needs, field staff and maintenance crews adjusting their schedules and work protocols to enhance safety, and many public-facing programs transitioning from in-person activities to online formats.

City staff have provided crucial and vital services throughout the pandemic, including but not limited to, maintenance of parks that were heavily used by the community during the stay home order, round-the-clock operations of the wastewater treatment plant, 911 emergency response, childcare and learning education assistance programs, providing support to local businesses, establishing City workplace safety protocols, and much more.

Staff also made numerous operational improvements during this time, many of which will have lasting benefits. One example is the technology enhancements implemented by the Community Development Department and Department of Information Technology that transitioned much of the development review process online.

The COVID-19 pandemic had a significant impact on the City's budget and financial position. As a result, the City implemented a fiscal sustainability plan that included a variety of measures, including seeking compensations concessions

from employees. Several bargaining units have agreed to take compensation concessions, and the City continues to pursue negotiations with the remaining bargaining units. Economic experts continue to project ongoing financial impacts to the City's budget as a result of the pandemic; however, at the end of fiscal year 2020-21, the City's revenues closed slightly higher than anticipated, largely due to the City's property transfer tax exceeding projections. As a result, and in recognition of employees' dedicated work to ensure continuity of services to the community, staff recommends payment of one-time recognition pay to eligible employees.

The attached resolution appropriates \$879,314 of available fund balance from various operating funds, including the General Fund, to provide \$2,000 per active merit employee that worked during the initial shelter in place orders between March 17, 2020 and May 30, 2020. Based on Human Resources and Payroll records, there are 414 full-time equivalent (FTE) merit employees that meet the required qualifications to receive the COVID-19 Recognition Pay. The total appropriation includes the employer's share of payments to Medicare and Social Security.

BUDGET IMPACT:

The total cost of COVID-19 Recognition Pay, including Medicare and Social Security, is \$879,314. Based on the fixed cost distribution of all eligible merit staff, \$627,305 of the total cost will be allocated to the General Fund (including all sub-funds), \$65,774 to the Construction Services Fund, \$136,285 to the Sewer Fund, and \$49,950 to all other funds. The General Fund's allocation will be covered by revenues in excess of projections from the real property transfer tax.

ENVIRONMENTAL DETERMINATION:

This action is not a project subject to CEQA, because it is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines Section 15378(b)(4).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Proposed Resolution

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