

Agenda Report

June 4, 2018

TO: Honorable Mayor and City Council

FROM: Human Resources Department

SUBJECT: ADOPTION OF A RESOLUTION AMENDING THE NON-REPRESENTED NON-MANAGEMENT SALARY RESOLUTION EXHIBIT I – SCHEDULE OF HOURLY PAY RATES AND APPROVAL OF AMENDMENT TO THE 2015-2018 AFSCME MOU EXHIBIT I - SALARY SCHEDULE TO CONFORM TO THE MINIMUM WAGE ORDINANCE

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is not a “project” as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(2) of the State CEQA Guidelines and, as such, is not subject to environmental review;
2. Adopt a resolution amending Exhibit I (Schedule of Hourly Pay Rates) of the Non-Represented Non-Management salary resolution; and
3. Approve an amendment to Exhibit I (Salary Schedule) of the July 1, 2015 – June 30, 2018 American Federation of State, County, and Municipal Employees (AFSCME) Memorandum of Understanding (MOU).

BACKGROUND:

On March 14, 2016, the City Council adopted a Minimum Wage Ordinance that required the payment of a City-wide minimum wage of \$10.50 per hour beginning on July 1, 2016, followed by increases to \$12.00 per hour on July 1, 2017 and \$13.25 per hour on July 1, 2018. The Ordinance is intended to ensure that employees who work in the City of Pasadena receive a minimum wage sufficient to provide a proper quality of life for themselves and their families.

NON-REPRESENTED NON-MANAGEMENT SALARY RESOLUTION EXHIBIT I – SCHEDULE OF HOURLY PAY RATES

2015 - 2018 AFSCME MOU EXHIBIT I – SALARY SCHEDULE

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Although not covered by the ordinance, the City Council stated its intent that the City also be subject to the local minimum wage. This is achieved by amending the salary resolutions and any applicable Memoranda of Understanding with existing bargaining groups. Based on a review of a May 2018 employee demographics report, it is estimated that 72% of City employees who currently earn less than \$13.25 per hour also reside in Pasadena or Altadena.

Human Resources staff has reviewed City-wide compensation schedules in order to identify the classifications affected by the July 1, 2018 minimum wage increase. There are fourteen classifications with pay rates below the hourly wage of \$13.25. Nine of these classifications are covered under the Non-Represented Non-Management Salary Resolution and the remaining five classifications are represented by AFSCME, as illustrated in the table below. All employees who currently earn less than the July 1, 2018 minimum wage will receive a wage adjustment to \$13.25 per hour effective the first day of the pay period that includes July 1, 2018.

Classification	Employee Group / Union
Ambulance Operator	Non-Represented Non-Management
Page	Non-Represented Non-Management
Library Page	Non-Represented Non-Management
City Service Worker (including several types)	Non-Represented Non-Management
City Temporary Worker	Non-Represented Non-Management
Recreation Leader-B	Non-Represented Non-Management
Recreation Leader	Non-Represented Non-Management
Junior Lifeguard	Non-Represented Non-Management
Lifeguard	Non-Represented Non-Management
Childcare Monitor	AFSCME
Instructor I	AFSCME
Instructor II	AFSCME
Recreation Leader IIIB	AFSCME
Work Experience Aide	AFSCME

NON-REPRESENTED NON-MANAGEMENT SALARY RESOLUTION EXHIBIT I – SCHEDULE OF
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To simplify the classification series, eliminate compaction and support department operations, the non-represented classifications of Recreation Leader I, II and III and Instructor I – IV are consolidated to Recreation Leader and Instructor. Applying the minimum wage over the past few years has resulted in compaction among the levels and between the two series. Consolidating the part-time, seasonal Recreation Leaders and Instructors provides the additional benefit of increased flexibility to the Department of Human Services and Recreation in staffing seasonal programs. The schedule of Non-Represented Non-Management hourly pay rates reflects this consolidation (Attachment 1). Commonly used City Service Worker jobs have been added to the schedule of non-represented hourly pay rates for ease of administration, such as CSW (Ambassador) and CSW (Maintenance Trainee).

The AFSCME salary schedule (Attachment 2) has been updated to reflect the minimum wage increase. Staff has worked with AFSCME and they are supportive of these changes. The AFSCME versions of the Recreation and Instructor classifications were not consolidated at this time, but will be addressed during labor negotiations.

The proposed changes ensure continued compliance with the City's Minimum Wage Ordinance.

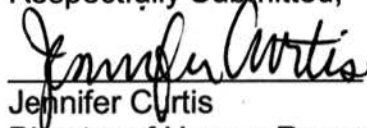
COUNCIL POLICY CONSIDERATION:

Approval of staff's recommendation supports the City Council's strategic goals of improving quality of life, enhancing the local economy, and maintaining fiscal responsibility and stability.

FISCAL IMPACT:

The fully burdened FY 2019 fiscal impact of the proposed minimum wage increase is estimated at \$95,682 and is reflected in the FY 2019 recommended operating budget. Approximately 63% or \$60,000 of the increase will have a direct impact on the General Fund.

Respectfully Submitted,



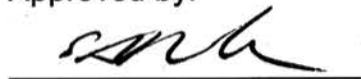
Jennifer Curtis
Director of Human Resources

Prepared by:



Tiffany Jacobs-Quinn
Human Resources Manager

Approved by:



Steve Mermell
City Manager

Attachments:

1. Resolution Amending Exhibit I – Schedule of Hourly Pay Rates of the Non-Represented Non-Management Salary Resolution
2. 2015 - 2018 AFSCME MOU Exhibit I - Salary Schedule