



Agenda Report

June 10, 2019

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 2018-2019 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, 2018 – June 30, 2019 American Federation of State, County, and Municipal Employees (AFSCME) Memorandum of Understanding (MOU).

BACKGROUND:

On February 11, 2019, the City Council adopted a Minimum Wage Ordinance that required the payment of a City-wide minimum wage of \$14.25 per hour beginning on July 1, 2019, followed by an increase to \$15.00 per hour on July 1, 2020. 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.

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 2019 employee demographics report, it is estimated that 74% of City employees who currently earn less than \$14.25 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, 2019 minimum wage increase. There are fourteen classifications with pay rates below the hourly wage of \$14.25. 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, 2019 minimum wage will receive a wage adjustment to at least \$14.25 per hour effective the first day of the pay period that includes July 1, 2019.

Non-Represented Non-Management Classifications
Ambulance Operator (vacant)
Page
Library Page
City Service Worker (including several types)
City Temporary Worker
Recreation Leader-B
Recreation Leader
Junior Lifeguard
Lifeguard

AFSCME Classifications
Childcare Monitor (vacant)
Instructor I (vacant)
Instructor II (vacant)
Recreation Leader IIIB (vacant)
Work Experience Aide

The Non-Represented Non-Management hourly pay rates (Attachment 1) and AFSCME salary schedule (Attachment 2) have been updated to reflect the minimum wage increase. Staff has communicated these changes to AFSCME.

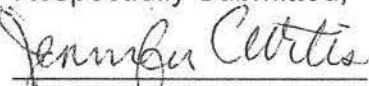
The proposed changes ensure continued compliance with the City's Minimum Wage Ordinance.

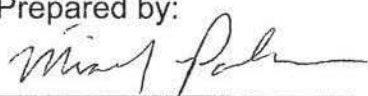
COUNCIL POLICY CONSIDERATION:

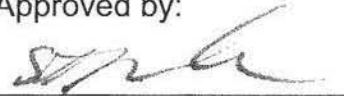
Approval of staff's recommendation supports the City Council's strategic goals of improving quality of life, enhancing the local economy, and maintaining fiscal responsibility and stability.

FISCAL IMPACT:

The fully burdened FY 2020 fiscal impact of the proposed minimum wage increase is estimated at \$170,000 and is reflected in the FY 2020 recommended operating budget. Approximately 41% or \$69,000 of the increase will have a direct impact on the General Fund.

Respectfully Submitted,

Jennifer Curtis
Director of Human Resources

Prepared by:

Michael Paliwoda
Senior Human Resources Analyst

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. 2018 - 2019 AFSCME MOU Exhibit I - Salary Schedule