



# Agenda Report

September 23, 2019

**TO:** Honorable Mayor and City Council

**FROM:** Department of Human Resources

**SUBJECT: ADOPT A RESOLUTION ESTABLISHING NEW CLASSIFICATIONS AND SALARY CONTROL RATES; AND DIRECT THE PREPARATION OF AN ORDINANCE TO AMEND THE PASADENA MUNICIPAL CODE TO CREATE A RISK MANAGEMENT DIVISION IN THE CITY MANAGER'S OFFICE**

## **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; and
2. Adopt a Resolution to establish a Risk Manager and a Safety Program Manager classification in the Department of The City Manager and set salary control rates.
3. Direct the City Attorney's Office to prepare whatever modifications are required of Pasadena Municipal Code, Title 2 to effect this change.

## **BACKGROUND:**

A recent organizational risk management study concluded that the most effective way for the City to organize its risk management efforts is to centralize the various functions currently handled by the Human Resources, City Attorney's Office and Water and Power Departments under one division in a single department. Having a centralized risk management function will improve the City's ability to have an organized, integrated, and strategic approach to managing risk including, but not limited to employee safety, contract management and securing insurance. The proposed organizational chart is attached to this staff report.

The proposed reorganization will require the establishment of two new classifications, a summary of which is listed below:

**Risk Manager:** Establish a new classification of Risk Manager with an annual salary control rate of \$152,143. This new classification will work in the City Manager's Office and oversee all the risk management functions and personnel currently housed in the Human Resources Department and Water and Power. It is the responsibility of Risk Manager to plan and direct the work of the Risk Management division to minimize the City's civil liability claims and risk exposure, recommend and negotiate insurance coverage, oversee the development and implementation of City-wide safety and injury-prevention programs, manage the workers' compensation program, administer indemnity and insurance requirements for contractors, vendors and tenants and to provide professional advice to departments and City management on policies and procedures to minimize City liability and claims against the City and/or its employees.

The existing Workers' Compensation Supervisor, the City's Safety Officer and their staff will report directly to the Risk Manager. This position will be in the non-represented management group.

This action does not authorize an additional FTE.

**Safety Program Manager:** Create a new classification of Safety Program Manager with an annual salary control rate of \$113,075. Safety Program Manager will replace the current Management Analyst III and Management Analyst IV positions in Safety areas of the Human Resources and Water and Power Departments. The Safety Program Managers will be responsible for managing, directing and integrating safety and environmental health programs and services for all City departments. Furthermore, this classification will provide City-wide training safety-related programs. It should be noted that one Safety Program Manager will remain embedded within Water and Power and dedicated solely to that Department. This classification will be accreted to the Pasadena Management Association (PMA).

This action does not authorize any additional FTE.

**COUNCIL POLICY CONSIDERATION:**

Approval of staff's recommendation supports the City Council's strategic goals of maintaining fiscal responsibility.

**FISCAL IMPACT:**

Approval and implementation of the new classification of Risk Manager will have no fiscal impact as it will replace the currently vacant classification of Finance and Management Services Administrator with the same salary control rate and will be funded under the Workers' Compensation Fund and General Fund. Approval and implementation of the revised classifications and salary schedules will cost approximately \$4,600 to the Workers' Compensation Fund (506). Funding for this action will be supported by existing appropriations in each Department's current FY2020 budget.

In addition, the Safety Program Manager reclassification will create an additional \$24,400 in potential for salary growth (including projected PERS costs) over the next three to five years as the employee moves through the new salary range. Upon implementation of reclassifications or salary control rate changes, the incumbents may receive an increase at the discretion of the City Manager. Future salary growth is merit-based and available on an annual basis as part of the performance evaluation process.

Respectfully submitted,

  
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Approved by:

  
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City Manager

ATTACHMENT A – Resolution adopting classifications and salary control rates

ATTACHMENT B – Organizational chart for the Risk Management Division