

# Agenda Report

June 20, 2022

**TO:** Honorable Mayor and City Council

**FROM:** Human Resources Department

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

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action herein is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) (Common Sense Exemption); and
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, 2019 – June 30, 2022 American Federation of State, County, and Municipal Employees (AFSCME) Memorandum of Understanding (MOU); and
4. Approve an amendment to Exhibit I (Salary Schedule) of the July 1, 2019 – June 30, 2022 Laborer's International Union of North America (LIUNA) 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. Additionally, the Ordinance establishes that beginning July 1, 2022 and each July 1 thereafter, the hourly wage will be adjusted by an amount equal to the change in the Los Angeles-Riverside-Orange County consumer price index for Urban Wage Earners and Clerical Workers. On July 1, 2022, the minimum wage will be increased to \$16.11 based on the change in the Consumer Price Index (CPI).

The Minimum Wage 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. Based on a review of a May 2022 employee demographics report, it is estimated that 70% of City employees who currently earn less than \$16.11 per hour also reside in Pasadena or Altadena.

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.

Human Resources staff has reviewed City-wide compensation schedules in order to identify the classifications affected by the July 1, 2022 minimum wage increase. There are sixteen classifications with pay rates below the hourly wage of \$16.11. Nine of these classifications are covered under the Non-Represented Non-Management Salary Resolution, five classifications are represented by AFSCME and the remaining two classifications are represented by LIUNA as illustrated in the table below. All employees who currently earn less than the July 1, 2022 minimum wage will receive a wage adjustment to at least \$16.11 per hour effective the first day of the pay period that includes July 1, 2022.

<b>Non-Represented Non-Management Classifications</b>
Ambulance Operator (vacant)
Page
Library Page
City Service Worker
City Temporary Worker
Recreation Leader-B
Recreation Leader
Recreation Facilities Assistant
Junior Lifeguard

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

<b>LIUNA Classifications</b>
Community Services Representative I
Police Cadet

Due to compaction caused by the minimum wage increase, an increase is included for steps 2 through 4 for the City Service Worker (Maintenance Trainee) classification and to the minimum hourly rate for the Lifeguard and Sr. Lifeguard classifications. The Non-Represented Non-Management hourly pay rates (Attachment 1), AFSCME salary schedule (Attachment 2) and LIUNA salary schedule (Attachment 3) have been updated to reflect the minimum wage increase. Staff has communicated these changes to AFSCME and LIUNA.

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:**

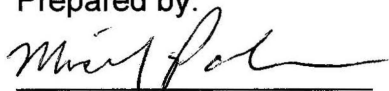
The fully burdened FY 2023 fiscal impact of the proposed minimum wage increase is estimated at \$113,000 and is reflected in the FY 2023 recommended operating budget. Approximately 40% or \$45,000 of the increase will have a direct impact on the General Fund.

Respectfully Submitted,



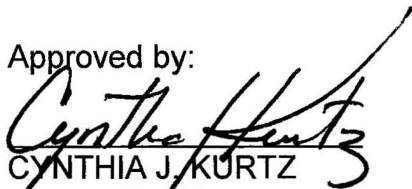
TIFFANY JACOBS-QUINN  
Acting Director of Human Resources

Prepared by:



Michael Paliwoda  
Senior Human Resources Analyst

Approved by:



CYNTHIA J. KURTZ  
Interim City Manager

**Attachments:**

1. Resolution Amending Exhibit I – Schedule of Hourly Pay Rates of the Non-Represented Non-Management Salary Resolution
2. 2019 - 2022 AFSCME MOU Exhibit I - Salary Schedule
3. 2019 - 2022 LIUNA MOU Exhibit I - Salary Schedule