

Agenda Report

May 22, 2023

TO: Honorable Mayor and City Council

FROM: Human Resources

SUBJECT: APPROVAL OF AMENDMENT TO EXHIBIT I (SALARY SCHEDULE) FOR THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA MEMORANDUM OF UNDERSTANDING 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. Approve an amendment to Exhibit I (Salary Schedule) of the July 1, 2022 – June 30, 2026 Laborers' 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 established 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 increased to \$16.11 based on the change in the Consumer Price Index (CPI). On July 1, 2023, the minimum wage will be increased to \$16.93 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 for themselves and their families. Based on a review of an April 2023 employee demographics report, it is

estimated that 72% of City employees who currently earn less than \$16.93 per hour also reside in Pasadena or Altadena.

Although not covered by the Ordinance, the City Council has 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, 2023 minimum wage increase. There are two classifications represented by LIUNA with pay rates below the hourly wage of \$16.93 as illustrated in the table below. All employees who currently earn less than the July 1, 2023 minimum wage will receive a wage adjustment to at least \$16.93 per hour effective the first day of the pay period that includes July 1, 2023.

LIUNA Classifications
Community Services Representative I
Police Cadet

The LIUNA salary schedule (Attachment A) have been updated to reflect the minimum wage increase. Staff has communicated these changes to the LIUNA bargaining group.

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:

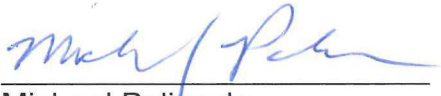
There is no fiscal impact as a result of this proposed action.

Respectfully submitted,



TIFFANY JACOBS-QUINN
Director of Human Resources

Prepared by:



Michael Paliwoda
Principal HR Analyst

Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachments: (1)

Attachment A – 2023 - 2026 LIUNA MOU Exhibit I - Salary Schedule