



# Agenda Report

May 18, 1998

TO: City Council  
FROM: Acting City Manager  
RE: Addendum to Pasadena Management Association  
Memorandum of Understanding

## RECOMMENDATION

It is recommended that the City Council adopt the addendum to the Memorandum of Understanding between the City and the Pasadena Management Association (PMA) effective May 11, 1998. The addendum, which has received tentative approval by PMA, provides for the following adjustments:

1. Reduce the control rate for Human Services Administrator to \$57,470.
2. Increase the control rate for Building Systems and Fleet Management Administrator to \$85,905.
3. Increase the control rate for Account Manager to \$67,146.
4. Increase the control rate for Northwest Manager to \$79,880.
5. Change the classification title Assistant Business Unit Director to Customer Service Manager.

## BACKGROUND

The following is background information relating to the five action items above:

1. Human Services Administrator: Presently, a Program Coordinator III in the Department of Human Services, Recreation and Neighborhoods administers the Human Services Coordination Division which includes supervision of Program Coordinators addressing Women's Issues, Children and Youth, Child Care and Senior Issues, supervision of support staff, and liaison with the Senior Commission and

Commission on the Status of Women. The incumbent reports directly to the department head. Because of her level of responsibility in the department, it is more appropriate that the incumbent, a division manager, be assigned to a Top Management classification (rather than a Professional Management classification), although there is no adjustment in actual salary.

The Human Services Administrator classification title is a top management classification which has not been used for several years. Except for the control rate, the title and job description are appropriate for the current incumbent. It is therefore recommended that the control rate for Human Services Administrator be reduced from \$68,811 to \$57,470. This would allow the incumbent to be reclassified to the title Human Services Administrator, in top management, and at a control rate which is equal to her present salary. There will be a slight cost resulting from a benefits level increase.

2. Building Systems and Fleet Management Administrator - This position is a division manager in the Public Works Department, overseeing all of the fleet maintenance, repair and replacement function, and the repair/remodeling, maintenance and security of City facilities. A review of the responsibilities of this position, in comparison to other division managers in Public Works, indicates that the control rate should be increased to establish a more appropriate salary relationship with counterparts in the department. Also, a market survey shows that this position is 7% lower than the average of comparable positions in the market. It is therefore recommended that the control rate for this position be increased by 7.1% from \$80,176 to \$85,905.
3. Account Manager - With the deregulation of the utility industry and the competitive marketplace, a major emphasis has been placed on the retention and expansion of the customer service base, particularly major customers who generate a large proportion of the revenues. The demand for individuals with the knowledge and abilities to service major utility customers has increased significantly since deregulation.

Last year, an Account Manager classification was established, responsible for providing a direct liaison service to major customers, serving as a single point-of-contact in providing an array of utility services and addressing customer needs. The salary was set based on internal salary relationships within the City structure. The salary was not based upon the market because there were very few public utilities which had yet to establish Account Managers, and private sector utilities were unwilling to share their salary information. However, a recent open recruitment for this position indicated the need to adjust this salary in that job offers from qualified candidates were turned down because of the low salary in relationship to the high demand for Account Managers in the competitive industry

A consulting firm was hired to attempt to conduct another salary survey, and while many private utilities declined to participate, they were able to obtain compensation information from a few private sector utilities only with the understanding that their

company would not be identified in the survey, and that they would have access to the survey results. As a result of the survey information, which focused on the Western United States and included a few private sector utilities, the average in the market for salary alone is \$67,146 per year.

Because this position is so essential to the success of the Pasadena utility, it is recommended that the Account Manager control rate be increased by 27.5% from \$52,680 to \$67,146 based on the average pay in the market.

4. Northwest Manager - Several years ago, the City had a Director of Northwest Programs and a Northwest Manager who together focused on Northwest issues, programs and advocacy, and acted as the primary City liaison for the Northwest. Both positions have been phased out: the Director position was transitioned out and eventually deleted, and the Northwest Manager function was incorporated into the broader classification of Special Assistant to the City Manager. The Special Assistant to the City Manager is presently acting in the capacity of Assistant City Manager, thereby leaving his position temporarily vacant. Rather than fill behind this vacant position, it is proposed that the Northwest Manager position be reestablished, since the responsibilities will focus almost exclusively on the Northwest, and the acting incumbent, once selected, will report to the Acting Assistant City Manager (rather than the City Manager). It is recommended that the control rate of the Northwest Manager be increased from \$68,811 to \$79,880, which is mid-way between the control rates of the two previous positions, Director of Northwest Programs and Northwest Manager. The increase is justified considering the consolidation of the two previous positions into a new Northwest Manager position which will operate with a higher level of authority and independence of action.
5. Customer Service Manager - This is a title change from Assistant Business Unit Director. This title change is more appropriate to reflect the horizontal relationship with its counterpart and is also more descriptive of the functions and responsibilities of the position.

#### FISCAL IMPACT

1. Human Services Administrator: There is no change in salary cost as a result of this reduction in control rate. There will be a slight benefits cost, however, of \$399 per year with the incumbent being classified in Top Management rather than Professional Management.
2. Building Systems and Fleet Management Administrator: The annual cost for the control rate increase is \$5,729 in salary, or \$9,069 in salary plus benefits.
3. Account Manager: The annual cost for one Account Manager is \$14,466 in salary, or \$22,263 in salary plus benefits. There are five positions; however, it is expected that only one or two incumbents who are assigned the most complex accounts will be

placed at control rate. The majority will maintain a salary which is 80% up to 90% of the control rate. The maximum costs, therefore, will be \$80,313 per year.

4. Northwest Manager: Because the Northwest Manager will be filled on a temporary basis from the presently vacant Special Assistant to the City Manager, there is a potential annual reduction of \$3,545 in salary, or \$5,420 in salary plus benefits.
5. Customer Service Manager - There is no fiscal impact associated with this title change.

Funds are available in each departmental budget to cover this cost for the remainder of the fiscal year. The budget for FY 98-99 will be adjusted accordingly.

Respectfully submitted



CYNTHIA J. KURTZ  
Acting City Manager

Prepared by:



ROBERT PERSON  
Acting Director of Human Resources