



# City Council Memorandum

City of Arts & Innovation

.....

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: AUGUST 20, 2019**

**FROM: HUMAN RESOURCES DEPARTMENT      WARDS: ALL**

**SUBJECT: REVISIONS TO THE MASTER FRINGE BENEFITS AND SALARY PLAN FOR SALARY ADJUSTMENTS TO THE DEPUTY PUBLIC WORKS DIRECTOR/CITY ENGINEER, DEPUTY PUBLIC WORKS DIRECTOR/WASTEWATER SYSTEMS, DEPUTY PUBLIC WORKS DIRECTOR/ENGINEERING, DEPUTY PUBLIC WORKS DIRECTOR/FIELD OPERATIONS, CITY TRAFFIC ENGINEER, ENGINEERING MANAGER, UTILITIES ELECTRICAL ENGINEERING MANAGER, UTILITIES ELECTRIC OPERATIONS MANAGER, UTILITIES ELECTRIC FIELD MANAGER, AND UTILITIES GENERATION MANAGER CLASSIFICATIONS; SALARY LEVEL ADJUSTMENT AND BARGAINING UNIT CHANGE TO THE UTILITIES WATER SYSTEMS OPERATIONS MANAGER CLASSIFICATION; SALARY RANGE ADJUSTMENTS TO THE CITY CLERK CLASSIFICATION PER EMPLOYMENT AGREEMENT; AND DELETION OF THE DEPUTY PUBLIC WORKS DIRECTOR/ENGINEERING AND UTILITIES ELECTRIC FIELD MANAGER (CLASSIFIED) CLASSIFICATIONS.**

**ISSUE:**

Approve revisions to the Master Fringe Benefits and Salary Plan for salary adjustments to the Deputy Public Works Director/City Engineer, Deputy Public Works Director/Wastewater Systems, Deputy Public Works Director/Field Operations, City Traffic Engineer, Engineering Manager, Utilities Electrical Engineering Manager, Utilities Electric Operations Manager, Utilities Electric Field Manager, and Utilities Generation Manager classifications; salary level adjustment and bargaining unit change to the Utilities Water Systems Operations Manager classification; salary range adjustments to the City Clerk classification per employment agreement; and deletion of the Deputy Public Works Director/Engineering and Utilities Electric Field Manager(classified) classifications.

**RECOMMENDATION:**

That the City Council:

1. Approve salary adjustments to the Deputy Public Works Director/City Engineer, Deputy Public Works Director/Wastewater Systems, Deputy Public Works Director/Field Operations, City Traffic Engineer, Engineering Manager, Utilities Electrical Engineering

Manager, Utilities Electric Operations Manager, Utilities Electric Field Manager, and Utilities Generation Manager classifications;

2. Approve salary level adjustment and bargaining unit change to the Utilities Water Systems Operations Manager classification.
3. Approve the deletion of the Deputy Public Works Director/Engineering and Utilities Electric Field Manager (classified) from the classification plan.
4. Approve the salary range adjustments to the City Clerk classification per the 2017 employment agreement.
5. Adopt the attached Resolution amending the Master Fringe Benefits and Salary Plan to reflect the salary adjustments to the Deputy Public Works Director/City Engineer, Deputy Public Works Director/Wastewater Systems, Deputy Public Works Director/Field Operations, City Traffic Engineer, Engineering Manager, Utilities Electrical Engineering Manager, Utilities Electric Operations Manager, Utilities Electric Field Manager, and Utilities Generation Manager classifications; salary range adjustments to the City Clerk classification per employment agreement; and the salary level adjustment and bargaining unit change to the Utilities Water Systems Operations Manager classification.

## **DISCUSSION:**

### **Salary Range Adjustments**

The City of Riverside Fringe Benefits and Salary Plan, Part II – Salary Plan, Section 5. Salary Differentials, I. Miscellaneous (1), states that the top step of the salary range of any Sr. Management/Management/Professional classification shall be a minimum of two steps (approximately ten percent) above the top step of the closest subordinate classification, with the exception of those classifications supervising specialized classifications which are highly compensated due to labor market conditions. Subordinate classification shall be defined as any position classification in which there are employees who are supervised by the management employee.

The recommendation to adjust the salaries for the classifications identified below stems from the current salary compaction that exists between the maximum salary of the Utilities Electric Superintendent classification and the maximum salary of the next level senior management classification of Utilities Electric Field/Operations Manager, which currently only has a 5.30% salary differential. To ensure compliance under the salary provision requiring a 10% differential between management and subordinate classifications and for the purpose of maintaining internal and lateral parity with comparable classifications, the Human Resources Department recommends that the classifications below in the Public Utilities and Public Works departments be adjusted based on comparable level of responsibility and scope of duties.

Failure to adjust all recommended classifications below will result in additional compaction issues as certain classifications identified have direct reporting relationships. For example, the City Traffic Engineer class is comparable to the Engineering Manager class and the Utilities Electric Field/Operations Manager. Because of the recommended adjustments and the reporting relationship between the City Traffic Engineer and the Deputy Public Works Director/City

Engineer, the latter must also be adjusted to ensure a 10% salary differential between the two classes. Furthermore, it is appropriate to adjust and align all Deputy Public Works Director classifications as they have comparable levels of responsibility and scope of duties.

Classification Title/Job Code	Current Monthly Salary Range	Proposed Monthly Salary Range	% Increase to Max Salary
Deputy Public Works Director/City Engineer NC (7213)	\$11,879 - \$15,918	\$12,273 - \$16,447	3.32%
Deputy Public Works Director/Wastewater Systems NC (7218)	\$11,879 - \$15,918	\$12,273 - \$16,447	3.32%
Deputy Public Works Director/Field Operations NC (7217)	\$10,800 - \$14,471	\$12,273 - \$16,447	13.65%
City Traffic Engineer NC (7210)	\$11,903 - \$14,468	\$12,301 - \$14,952	3.35%
Engineering Manager NC (7193)	\$11,903 - \$14,468	\$12,301 - \$14,952	3.35%
Utilities Electrical Engineering Manager NC (7191)	\$11,903 - \$14,468	\$12,301 - \$14,952	3.35%
Utilities Electric Operations Manager NC (5120)	\$11,776 - \$14,314	\$12,301 - \$14,952	4.46%
Utilities Electric Field Manager NC (4711)	\$11,776 - \$14,314	\$12,301 - \$14,952	4.46%
Utilities Generation Manager (4708)	\$11,584 - \$14,079	\$12,301 - \$14,952	6.20%
Utilities Water Systems Operations Manager (4330)	\$10,653 - \$12,954	\$12,301 - \$14,952	15.43%

*Bargaining Unit Change*

Additionally, for internal parity purposes, the Human Resources Department recommends the Utilities Water Systems Operations Manager classification be aligned with the other Utilities senior management classifications, which will result in a bargaining unit change from Management to Senior Management.

Classification Title and Bargaining Unit	New Bargaining Unit
Utilities Water Systems Operations Manager (4330) Bargaining Unit 10 Management	Senior Management (07)

*City Clerk Salary Range Adjustments*

As reflected in the employment agreement for the City Clerk dated July 5, 2017, section 5 Pension, the City agreed to adjust the employee’s salary and salary range incrementally to match PERS contribution deductions. Salary adjustments will occur in January 2020 to offset the PERS contribution percentages the incumbent will be required to pay.

In addition, as indicated in section 3, Salary, the employee’s annual salary will be increased by five percent (5%) on or before August 31 annually until reaching top of the established salary range followed by three percent (3%) in subsequent years, upon acknowledgement of satisfactory performance by employee in prior year; this action will also adjust the salary range accordingly. The attached Resolution is to be adopted to effectuate salary range adjustments for merit increases and the CalPERS offset from 2017 through January 2020.

### Deletion of Classifications

The following classification are recommended to be deleted from the classification plan as they are no longer utilized by the department: Deputy Public Works Director/Engineering and Utilities Electric Field Manager (classified). There is currently a non-classified version of the Utilities Electric Field Manager, which continues to be used and will remain active.

### **FISCAL IMPACT:**

The proposed salary adjustment for the Utilities Electric Operations Manager represents a cost increase of \$13,695 for fiscal year 2019-20 in base salary costs and benefits based on one incumbent.

The proposed salary adjustment for the Utilities Electric Field Manager represents a cost increase of \$9,250 for fiscal year 2019-20 in base salary costs and benefits based on one incumbent.

The proposed salary adjustment for the Deputy Public Works Director/Field Operations represents a cost increase of \$32,991 in base salary costs and benefits. The incumbent's actual salary will only be adjusted by 5% from current salary for fiscal year 2019-20.

The proposed salary adjustment for the Utilities Electric Engineering Manager represents a cost increase of \$398 to \$484 monthly in base salary costs in the min/max salary range; there is no incumbent in this position.

The proposed salary adjustment for the Utilities Water Systems Operations Manager represents a cost increase of \$1,648 to \$1,998 monthly in base salary costs in the min/max salary range; there is no incumbent in this position.

There is no fiscal impact associated with the salary adjustments to the Deputy Public Works Director/City Engineer, Deputy Public Works Director/Wastewater, Engineering Manager, City Traffic Engineer or Utilities Generation Manager; all positions were budgeted in the merit range for fiscal year 2019-20.

The proposed salary adjustment for the City Clerk represents an annual cost increase of \$12,764.55 for Fiscal Year 2019-20 associated with a 3% merit increase in August 2019 and 2% increase in January 2020 to offset CalPERS. The amount is based on one incumbent, salary, benefits, and CalPERS tier. The cost will be absorbed by the City Clerk's Department.

Prepared by:	Stephanie Holloman, Human Resources Director
Certified as to availability of funds:	Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Gary Geuss, City Attorney

### Attachments:

1. Resolution Amending the Fringe Benefits and Salary Plan
  - a. Exhibit A – Job Code Table