



STAFF REPORT – CITY COUNCIL MEETING

December 21, 2022

TO: Honorable Mayor and City Council Members

FROM: Danette Demello, Assistant City Manager

PREPARER: Danette Demello, Assistant City Manager

DATE: November 29, 2022

TITLE: **Adopt Resolution No. 223-27, A Resolution of the City Council of the City of Arcata Amending the Class and Pay Resolution—Compensation & Benefits for Hourly Rated Part-Time, Temporary, and Seasonal Personnel (to Reflect 1/1/23 Change in State Minimum Wage & New Position of Professional Expert).**

RECOMMENDATION:

It is recommended that the Council adopt Resolution No. 223-27, A Resolution of the City Council of the City of Arcata Amending the Class and Pay Resolution—Compensation & Benefits for Hourly Rated Part-Time, Temporary, and Seasonal Personnel (to Reflect 1/1/23 Change in State Minimum Wage & New Position of Professional Expert).

INTRODUCTION:

While the City's Personnel Rules & Regulations (PR&R) grant authority to the City Manager to adopt changes to the City's Classification Plan (i.e. job descriptions); Chapter IV, Section 2, of the PR&R requires amendments or revisions to the Compensation Plan be adopted by resolution of the City Council.

On January 1, 2023, California's statewide minimum wage will increase to \$15.50 per hour. Additionally, a new position of Professional Expert is being added to the salary schedule.

BACKGROUND/DISCUSSION:

Minimum Wage Increase

Currently, California's minimum wage is \$15.00 per hour for employers with 25 or more employees, and \$14.00 per hour for employers with fewer than 25 employees. On January 1, 2023, the statewide minimum wage will increase to \$15.50 per hour for all employees, regardless of the size of the employer. This accelerated increase is required by a provision in the state's existing wage law that was triggered because inflation exceeded seven percent.

Further adjustments for inflation to the minimum wage will be determined on or before August 1 for each subsequent year, as required by California Labor Code section 1182.12.

For the attached Resolution, the new minimum wage amount has been applied to beginning salary range for this employee group and the resulting salary adjustments are being made throughout the salary schedule to maintain the current 2.5% between salary steps in each salary grade, as well as maintain the current structure within each job classification.

Other changes reflected include:

- The Maintenance Trainee position is one of the most utilized classifications on the Hourly schedule. To be more competitive in filling these positions, the salary range is being adjusted from PT22(\$16.051-\$17.717) to PT28(\$16.538-\$18.255).
- To address current compaction with the Hourly Bus Driver and the new 75%-Time Transit Bus Driver position, the salary range is being adjusted from PT98 to PT92, which still results in a wage increase for the Bus Driver position (from current range of \$22.692-\$25.048 to new range of \$22.757-\$25.120).
- To create more of a distinction between the Hourly position title of Operator-In-Training (Water/Wastewater) and newly amended full-time position of Operator-In-Training/Plant Operator I/II, the Hourly title is being changed to Operator-In-Training Apprentice.
- The Resolution currently includes a provision that allows the City Manager to negotiate compensation rates for temporary or seasonal positions involving difficult to obtain specialist skills and expected to be of limited duration. To ensure we are in line with requirements to have public adopted salary schedules and posted salary rates, this provision is being eliminated. The new classification of Professional Expert (see below) should assist in addressing these instances.
- The Resolution currently includes a provision for Part-time employees to receive five paid holidays (Christmas Day, New Year's Day, Martin Luther King Day, Fourth of July, Thanksgiving Day). This provision is being extended to Seasonal and Temporary employees as well.

New Position – Professional Expert

A new classification of Professional Expert is being added. The intent of this position is to provide another method in some instances for the City to secure hard to obtain expertise in lieu of contracting with a consultant. This would generally be instances in which a specialized license and technical expertise are necessary; and in most cases would not be possessed by current staff. Some current examples of this would be an individual with a surveyor's license and one with a Registered Professional Forester license. Another need for this position are occasions when employees have resigned and are willing to work on a short-term basis after separation to train their replacement and/or help perform some of the more imperative duties of their previous position while the City is recruiting to fill the position. A couple recent examples of this have been the Finance Director and Payroll administration positions.

BUDGET/FISCAL IMPACT:

Minimum Wage/Class & Pay Changes - The anticipated fiscal impact for the remainder of the 2022/2023 FY is an additional \$28,500. This is assuming the same hourly employees work a similar average of hours the last six months of this fiscal year as they worked the first six months. Departments will want to assess Part-time Salaries budgets at Mid-Year and make any necessary adjustments to account for anticipated costs that were not included in the current budget.

ATTACHMENTS:

A: Resolution 223-27 (PDF)

B: Job Description: Professional Expert (PDF)