



Santa Clara Valley Water District

File No.: 18-0386

Agenda Date: 5/22/2018

Item No.: 3.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution Adopting Employee Salary Schedule - Effective the First Pay Period of Fiscal Year 2019.

RECOMMENDATION:

Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE THE FIRST PAY PERIOD OF FISCAL YEAR 2019 (July 1, 2018).

SUMMARY:

Board approval of the Employee Salary Schedule serves the following four purposes:

1. Compliance with state law which requires that the governing body of a public agency formally approve salary schedules for all employees and make them available for public review;
2. Updates and makes current the salary schedule for District employees covered by labor Memorandum of Understandings;
3. Updates and makes current the salary schedule for Executive employees; and
4. Updates and makes current the salary schedule for the three Board Appointed Officers.

Compliance with State Legal Requirement:

Approval of the Employee Salary Schedule by the Board of Directors is required under Title 2 California Code of Regulations, section 570.5 and its requirement of a publicly available pay schedule approved by a public body for all employee classifications. Under this requirement, the amount of "compensation earnable" for purposes of calculating retirement benefits is limited to the amount listed on a pay schedule meeting the following requirements:

- (1) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the pay-rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bimonthly, or annually;

- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the pay-rate.

CalPERS has stressed that all eight of these requirements must be met in a single salary schedule for each member's pay.

Salary Range Adjustments

1. Classified Employees

The District has negotiated salary increases for classified employees covered by the three labor MOUs. Specifically, the bargaining groups, Employees Association, Engineers Society, and the Professional Managers Association have negotiated a four-year contract to receive a 4% increase each year effective July 1st from 2018 to 2021. The attached Salary Schedule updates and makes current the salaries for employees represented by the three bargaining groups.

2. Executive Employees/BAOs

The attached salary schedule also reflects updated salary ranges for Executive employees and Board Appointed Officers (BAOs). These salary range adjustments for the Executives and the BAOs effective July 1, 2018 were made in accordance with the Salary Structure for Unrepresented Employees approved separately on May 22, 2018.

3. District Classification and Compensation Study (DCCS)

The District concluded negotiations with two bargaining groups as part of the Classification study. The result for the Engineers Society is the deletion of 14 classifications, creation of 2 new classifications, and title changes to 15 classifications. In Employees Association, total classification titles were reduced from 176 to 169. There were no changes in titles for 110 of the 176 classifications, 19 new classifications were established, 24 classifications were deleted, and 41 classifications were re-titled. This resulted in 91 employees with new classification titles, and 45 employees who were reclassified. The total cost of these changes is estimated to be a \$350,000 annual impact.

FINANCIAL IMPACT:

The attached salary schedule reflects new salaries resulting from the 4% increases to staff represented by the District's three bargaining groups and changes to the Executive and BAO salary ranges. The annual costs related to these two factors were listed in the approving staff report.

The salary schedule also includes salary range changes resulting from the District Classification and

Compensation Study. The net cost resulting from the study is approximately a \$350,000 annual impact. Staff anticipates that the FY 18 and FY 19 impacts will be offset via salary savings, as actual salary savings are typically higher than budgeted.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have potential for resulting in direct or reasonably foreseeable indirect physical changes in the environment.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

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