



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by: AKS Date: 8/4/19
for General Manager

DATE: August 2, 2019
TO: General Manager
FROM: Human Resources Manager
SUBJECT: New Memorandums of Understanding for the Bargaining Units and Respective Pay Schedules

RECOMMENDATION: That the Board approve the Memorandums of Understanding (MOUs) with Operating Engineers Local 3 (OE3) Operations Unit, Laborers & Sales Clerks Unit, Support Unit and the Management Unit and Respective Pay Schedules.

BACKGROUND & DISCUSSION

Labor agreements with the four bargaining groups and their respective Compensation Schedules expired on June 30, 2019. Since March, District negotiators have been actively negotiating with the bargaining units for successor agreements. These groups are:

- OE3 Operations Unit
- OE3 Laborers & Sales Clerks Unit
- OE3 Support Unit
- Management Unit

Tentative Agreements were reached with all four (4) bargaining groups in late June - early July, with guidance from the Personnel Committee. The bargaining unit members have ratified the agreements and District negotiators are recommending approval of the new labor agreements.

The recent Total Compensation Study was a key point of reference during labor negotiations. The Total Compensation Study by Koff & Associates that began in the Fall of 2018, culminated with a Final Report, dated May 17, 2019 (Attachment A). The goal of the compensation study was to assist the District in developing a competitive pay and benefit plan, based on market data, that met the needs of the District with regards to recruitment and retention of qualified staff. The study identified several classifications that were found to be below or above the market median and included recommendations for market adjustments. Overall, the study found that the District's base salaries are 0.6% above market median. The classifications that were found to be most out-of-market in the Total Compensation Study, are being adjusted to some extent in the appropriate direction.

In recognition of dedication and loyalty to the District, and to retain valued employees, the District will provide employees who complete one year of service a matching contribution growing from 2% to 7% to the participating employee's deferred compensation plan account. Current employees will have the option to either receive Longevity Pay once they meet eligibility requirements or participate in the new deferred compensation employer match program. For employees hired after July 1, 2019, this new benefit will replace Longevity Pay. The deferred

compensation employer match is not reported to CalPERS as compensation, thus decreasing the District's CalPERS liability in the future. The agreements include minimal changes to the District's Benefits Programs and Paid Time Off Accruals.

The District and the bargaining units also agreed on language to clarify and update certain MOU provisions, including provisions addressing the District's retirement plan, compensatory time, and regulatory changes related to the elimination of agency shops, as a result of the recent U.S. Supreme Court Decision on the Janus v. AFSCME case.

The District and the bargaining units also agreed to further discussions regarding the practice of semi-monthly processing payroll in advance of all worked time to bi-weekly processing of payroll in arrears of all worked time. Additionally, the parties also agreed to continue discussion regarding the combining of the Personnel Policies to one Employee Handbook.

The new MOU for each of the four bargaining units (attached) represent staggered terms from 3 to 5 years, commencing July 1, 2019. Elements of the proposed MOU are summarized on Attachment B. The MOUs and respective Pay Schedules are also attached and marked as follows:

- Attachment C - OE3 Operations Unit
- Attachment D - OE3 Laborers & Sales Clerks Unit
- Attachment E - OE3 Support Unit
- Attachment F - Management Unit

FINANCIAL IMPACT

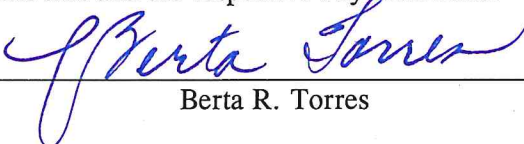
The financial impact of new MOUs in Fiscal Year 2019-20 is estimated to be approximately \$562,000 for the implementation of salary and other benefit changes. The Final FY 2019/20 Budget incorporate the increases provided in the MOUs. The financial impact of the compensation and benefits increases on FY 2020-21 and FY 2021-22 is estimated to be approximately \$436,000 and \$357,000, respectively. The impact of the new MOUs in years four and five for those agreements exceeding three years will be dependent upon the Consumer Price Index for the preceding years. These costs will be incorporated into future budgets.

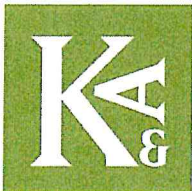
STRATEGIC PLAN

The changes outlined above are in line with the strategic plan for the fiscal year in the areas of People and Finance. These changes assure our employees of our continued commitment to be mindful in the attraction, retention, and growth of each person on our payroll. Additionally, these changes address our desire to be good stewards of our public funding while continuing to fulfill our commitment to our employees.

CONCLUSION

Staff requests your approval of the Memorandums of Understanding (MOUs) with the OE3 Operations Unit, Laborers & Sales Clerk Unit, Support Unit and Management unit and the respective Pay Schedules.


Berta R. Torres



May 17, 2019

Total Compensation Study Final Report

Monterey Regional Waste Management District

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May 17, 2019

Ms. Berta Torres
Human Resources Manager
Monterey Regional Waste Management District
14201 Del Monte Blvd.
Marina, CA 93933

Dear Ms. Torres:

Koff & Associates is pleased to present the Total Compensation Study Final Report to the Monterey Regional Waste Management District. This report documents the market compensation survey methodology, findings, and recommendations for implementation.

We would like to thank you for your assistance and cooperation without which this study could not have been brought to its successful completion.

We will be glad to answer any questions or clarify any points as you are implementing the findings and recommendations. It was a pleasure working with the District and we look forward to future opportunities to provide you with professional assistance.

Very truly yours,



Katie Kaneko
President

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
Background	1
Summary of Findings	1
STUDY PROCESS	1
Benchmark Classifications	1
Comparator Agencies	3
Cost of Labor Differential	5
Salary and Benefits Data	6
Data Collection	9
Matching Methodology	9
Data Spreadsheets	10
MARKET COMPENSATION FINDINGS	10
Summary of Findings	12
Benefits	13
INTERNAL SALARY RELATIONSHIPS	15
RECOMMENDATIONS	15
Pay Philosophy	15
Proposed Salary Structure	16
Proposed Salary Range Placements	16
Options for Implementation	17
USING THE SURVEYED AGENCY DATA AS A TOOL	18



LIST OF TABLES

Table 1. Benchmark Classification.....	2
Table 2. Comparator Agencies	5
Table 3. Cost of Labor Differential	6
Table 4. Market Compensation Results Summary.....	11
Table 5. FLSA Status for Supervisor Classifications.....	14
Table 6. Three-Year Implementation Proposal.....	17

APPENDICES

- Appendix I: Results Summary
- Appendix II: Market Compensation Findings
- Appendix III: Salary Schedule
- Appendix IV: Range Placement



EXECUTIVE SUMMARY

Background

In October 2018, Koff & Associates (“K&A”) conducted a comprehensive Total Compensation Study for the Monterey Regional Waste Management District (District). All compensation findings and recommendations are presented in this report.

This compensation review process was precipitated by:

- The concern of the Board of Directors and management that employees should be recognized for the level and scope of work performed and that they are paid on a fair and competitive basis that allows the District to recruit and retain a high-quality staff;
- The desire to have a compensation plan that can meet the needs of the District; and
- The desire to ensure that internal relationships of salaries are based upon objective, non-quantitative evaluation factors, resulting in equity across the District.

The goals of the compensation study are to assist the District in developing a competitive pay and benefit plan, which is based upon market data, and to ensure that the plan is fiscally responsible and meets the needs of the District with regards to recruitment and retention of qualified staff.

Summary of Findings

This report summarizes the study methodology, analytical tools, and the total compensation (salary and benefits) survey findings. The results of the total compensation study showed:

- The District’s **base salaries, overall, in comparison to the market median is .6% above the market.**
- The District’s **total compensation, overall, in comparison to the market median is .9% above the market.**
- The District’s **benefits package** has very little impact overall to the competitiveness of the District and, therefore, our recommendation is that salary decisions should be based on base salary market results versus total compensation.
- K&A considers a classification falling within 5% of the median to be competitive.

STUDY PROCESS

Benchmark Classifications

Classifications that we would expect to provide a sufficient sample for analysis were selected as “benchmarks” to use as the basis to build the compensation plan. Forty-two (42) classifications were selected and salary and benefits data were collected for each within the surveyed agencies.



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Monterey Regional Waste Management District

Benchmark classifications are those classifications that are compared to the surveyed agency, and these classifications are used as a means of anchoring the District's overall compensation plan. The benchmark classifications are listed in Table 1.

Table 1. Benchmark Classification

Classification Title
1. Accounting Assistant II
2. Accounting Manager
3. Accounting Technician
4. Administrative Support Specialist II
5. Director of Communications and Sustainability
6. Director of Engineering and Compliance – District Engineer
7. Director of Finance and Administration
8. Director of Operations
9. Equipment Maintenance Manager
10. Executive Assistant-Clerk of the Board
11. General Manager
12. Hazardous Material Technician
13. Heavy Equipment Operator
14. Heavy Equipment Supervisor
15. Heavy Equipment Technician II
16. Human Resources Coordinator
17. Human Resources Manager
18. Industrial Maintenance Technician
19. LCM-HHW Manager
20. Maintenance Shop Assistant II
21. Maintenance Shop Supervisor
22. MRF Maintenance Worker II



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Monterey Regional Waste Management District

Classification Title
23. MRF Associate Operator
24. MRF Maintenance Assistant II
25. MRF Maintenance Supervisor
26. MRF Manager
27. MRF Equipment Operator II
28. MRF Supervisor
29. Power Systems Senior Technician
30. Power Systems Supervisor
31. Public Education and Outreach Coordinator
32. Public Education and Outreach Specialist
33. Safety and Risk Manager
34. Sales Assistant
35. Scale Supervisor
36. Senior Engineer
37. Site and Facilities Assistant II
38. Site Maintenance Supervisor
39. Site Maintenance Worker II
40. Site Operations and Facilities Manager
41. Sorter II
42. Weighmaster

Comparator Agencies

Another important step in conducting a market salary study is the determination of appropriate agencies for comparison. In developing the list of potential comparator agencies, K&A first started with agencies that the District used in previous total compensation studies. Other agencies were then added to the potential list of comparator agencies based on the following factors:



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Monterey Regional Waste Management District

1. **Organizational type and structure** – It is generally recommended that agencies of a similar size and providing similar services to that of the District be used as comparators.

When it comes to technical classes, the size of an organization is not as critical, as these classes perform fairly similar work. The difference in size of an organization becomes more important when comparing classes at the management level. The scope of work and responsibility for management becomes much larger as an organization grows. Factors such as management of a large staff, consequence of error, the political nature of the job, and its visibility all grow with larger organizations. When it is difficult to find agencies that are similarly sized, it is important to get a good balance of smaller and larger agencies.

2. **Similarity of population, staff, and operational budgets** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of services.
3. **Scope of services provided** – For the majority of classifications, it is important to select agencies providing similar services. Organizations providing the same services are ideal for comparators and most comparator agencies surveyed provide similar services to the District.
4. **Labor market and geographic location** – In the reality that is today's labor market, many agencies are in competition for the same pool of qualified employees. No longer do individuals necessarily live in the communities they serve. The geographic labor market area, where the District may be recruiting from or losing employees to, was taken into consideration when selecting comparator organizations. Furthermore, by selecting employers within a geographic proximity to the District, the resulting labor market data generally reflects the region's cost of living, housing costs, growth rate, and other demographic characteristics to the same extent as competing employers to the District.

All factors mentioned should be considered in selecting the group of comparator agencies. Due to the very unique combination of services that the District provides, scope of services was driving consideration in choosing the comparator agencies. Since there was not a sufficient number of special districts that provided the comparable waste management services, we needed to survey other organizational types such as cities and counties and expand into other geographic regions. The District agreed to a list of ten (10) agencies that provided similar services to the District.



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Monterey Regional Waste Management District

Table 2. Comparator Agencies

Agency	Population	FTE	Agency Expenditures	Geographic Proximity
Monterey Regional Waste Management District	170,000	146	\$31,917,000	0
City of Oxnard	207,907	266	\$134,439,316,	266
City of Santa Cruz	66,454	773	\$106,120,107	34
City of Watsonville	53,434	410	\$40,222,027	18
County of Sacramento	1,418,788	12,298	\$1,725,424,888	177
County of San Joaquin	704,379	7,228	\$885,889,196	134
County of Santa Cruz	276,864	2,437	\$502,409,155	34
County Sanitation Districts of Los Angeles	5,597,301	1,656	\$498,318,583	351
Monterey Regional Water Pollution Control	250,000	90	\$85,646,000	9
Orange County Sanitation District	2,600,000	636	\$161,173,060	346
Salinas Valley Solid Waste Authority	441,000	57	\$15,852,303	10

Cost of Labor Differential

Use of a broader geographic survey group, as was done in this study by the inclusion of Bay Area and Southern California agencies, generally raises questions on the impact of the cost of living differences and while that is a factor for survey agency selection, it is not the most appropriate method to measure regional differences in wages. Cost of Living focuses on the difference in the cost of consumer goods including housing and therefore can fluctuate more dramatically between locations. Cost of Labor measures regional differences in wage trends and is a more effective measure in drawing a comparison between salaries.

K&A lists the Cost of Labor differentials to be utilized by the District to provide more accurate wage comparisons. To accomplish this, we used databases from the Economic Research Institute (ERI), a nationally recognized provider of data with respect to differences in the costs of living and cost of labor in cities with a population of over 10,000. The Cost of Labor percentages reflect



Total Compensation Study – Final Report

Monterey Regional Waste Management District

regional differences in wages and are relevant to making compensation decisions because the focus is on what other employers are paying within the region rather than the differences in the cost of consumer goods. For more detailed information on the ERI's Geographic Assessor methodology, please refer to Attachment A.

The cost of labor percentages are as follows:

Table 3. Cost of Labor Differential

Agency	Cost of Labor Differential
City of Oxnard	-3.1%
City of Santa Cruz	-2.4%
City of Watsonville	-2.8%
County of Sacramento	-4.1%
County of San Joaquin	-5.8%
County of Santa Cruz	-2.4%
County Sanitation District of Los Angeles	-0.6%
Monterey Regional Water Pollution Control Agency	0.0%
Orange County Sanitation District	-1.7%
Salinas Valley Solid Waste Authority	0.0%

The differentials indicate that the surveyed agencies pay, on average, **3.2%** less than the District. For those agencies having a lower cost of labor than the Monterey region, salaries were adjusted by the differential percentages in order to ensure parity with the District.

Salary and Benefits Data

The last element requiring discussion prior to beginning a market survey is the specific benefit data that will be collected and analyzed. The following salary and benefits data was collected for each benchmark classification (the cost of these benefits to each agency was converted into dollar amounts and can be found in Appendix II [Benefit Detail] of this report; these amounts were added to base salaries for total compensation purposes).

1. Monthly Base Salary

The top of the salary range and/or control point. All figures are presented on a monthly basis.



2. Employee Retirement

The retirement reflects the benefits offered to the majority of the employees:

- **PERS Formula:** The service retirement formula for each agency's Classic plan. For agencies with retirement systems established under the County Employees Retirement Law of 1937 ("37 Act"), retirement formulas were converted to the equivalent PERS formula for purposes of comparison.
- **Enhanced Formula Cost:** The baseline PERS formula is 2%@62. There is typically a cost to the employer for offering a formula with a higher benefit than the baseline formula. For each enhanced formula, the cost to the employer is based on a percentage range calculated by PERS. K&A took the midpoint of the range and multiplied the percentage by the top monthly salary to calculate the cost of the enhanced formula. The percentage value for each enhanced formula is:
 - 2%@60: midpoint of range = 1.5%
 - 2%@55: midpoint of range = 2.7%
 - 2.5%@55: midpoint of range = 4.9%
 - 2.7%@55: midpoint of range = 6.4%
 - 3%@60: midpoint of range = 7.4%
- **Employer Paid Member Contribution:** The amount of the employee's contribution to PERS that is paid by the employer (Employer Paid Member Contribution).
- **Single Highest Year:** The period for determining the average monthly pay rate when calculating retirement benefits. The base period is 36 highest paid consecutive months. When final compensation is based on a shorter period of time, such as 12 months' highest paid consecutive months, there is a cost to the employer. Similar to the enhanced formula, the cost to the employer is based on a percentage range calculated by PERS. K&A took the midpoint of the range and multiplied the percentage by the top monthly salary to calculate the cost of the final compensation.
- **Social Security:** If an employer participates in Social Security, then the employer contribution of 6.2% of the base salary up to the federally-determined maximum contribution of \$663.40 per month was reported. Note that the maximum contribution rate is that of 2018 in order to be consistent with the timeframe during which data was collected.
- **Other:** Any other retirement contributions made by the employer.

3. Deferred Compensation

Deferred compensation contributions provided to all employees of a classification with or without requiring the employee to make a contribution is reported.



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Monterey Regional Waste Management District

4. Insurances

The employer paid premiums for an employee with family coverage was reported. The employer paid insurances included:

- Cafeteria/Flexible Benefit Plan
- Medical
- Dental
- Vision
- Life and Accidental Death and Dismemberment (“AD&D”) Insurances
- Long-Term Disability Insurance
- Short-Term Disability Insurance
- Other

5. Leaves

Other than sick leave, which is usage-based, the number of hours off for which the employer is obligated. All hours have been translated into direct salary costs.

- **Vacation:** The number of paid time off (or vacation) hours available to all employees who have completed five years of employment.
- **Holidays:** The number of holiday hours (including floating hours) available to employees.
- **Administrative:** Administrative (or management) leave is normally the number of paid leave hours available to Fair Labor Standards Act (“FLSA”) Exempt and/or management to reward for extraordinary effort (in lieu of overtime). This leave category may also include personal leave which may be available to augment vacation or other time off.

6. Auto Allowance

This category includes either the provision of an auto allowance or the provision of an auto for personal use only. If a vehicle is provided to any classification for commuting and other personal use, the average monthly rate is estimated at \$450. Mileage reimbursement is not included.

7. Other

This category includes any additional other benefits not captured above available to all in the class.

All of the benefit elements are negotiated benefits provided to all employees in the classification. As such, they represent an ongoing cost for which an agency must budget. Other benefit costs,



such as sick leave, tuition reimbursement, and reimbursable mileage are usage-based and cannot be quantified on an individual employee basis.

Data Collection

Data was collected during the months of November and December 2018, through comparator agency websites, conversations with human resources, accounting, and/or finance personnel, and careful review of agency documentation such as classification descriptions, memoranda of understanding, organization charts, and other documents.

Matching Methodology

K&A believes that the data collection step is the most critical for maintaining the overall credibility of any study and relied on the District's classification descriptions as the foundation for comparison.

When K&A researches and collects data from the comparator agencies to identify possible matches for each of the benchmark classifications, there is an assumption that comparable matches may not be made that are 100% equivalent to the classifications at the District. Therefore, K&A does not match based upon job titles, which can often be misleading, but rather analyze class descriptions before a comparable match is determined.

K&A's methodology is to analyze each class description and the whole position by evaluating factors such as:

- Definition and typical job functions;
- Distinguishing characteristics;
- Level within a class series (i.e., entry, experienced, journey, specialist, lead, etc.);
- Reporting relationship structure (for example, manages through lower-level staff);
- Education and experience requirements;
- Knowledge, abilities, and skills required to perform the work;
- The scope and complexity of the work;
- Independence of action/responsibility;
- The authority delegated to make decisions and take action;
- The responsibility for the work of others, program administration, and for budget dollars;
- Problem solving/ingenuity;
- Contacts with others (both inside and outside of the organization);
- Consequences of action and decisions; and
- Working conditions.

In order for a match to be included, K&A requires that a classification's "likeness" be at approximately 70% of the matched classification.

When an appropriate match is not identified for one classification, K&A often uses "hybrids" which can be functional or represent a span in scope of responsibility. A functional hybrid means



Total Compensation Study – Final Report

Monterey Regional Waste Management District

that the job of one classification at the District is performed by two or more classifications at a comparator agency. A “hybrid” representing a span in scope means that the comparator agency has one class that is “bigger” in scope and responsibility and one class that is “smaller,” where the District’s class falls in the middle.

If an appropriate match could not be found, then no match was reported as a non-comparable (N/C).

Data Spreadsheets

For each benchmark classification, there are three information pages:

- Top Monthly Base Salary Data
- Benefit Detail (Monthly Equivalent Values)
- Total Compensation Data

The average (mean) and median (midpoint) of the comparator agencies are reported on the top monthly salary and total compensation data spreadsheets. The % above or below that the District is compared to the average and median is also reported.

The mean is the sum of the comparator agencies’ salaries/total compensation divided by the number of matches. The median is the midpoint of all data with 50% of data points below and 50% of data points above.

In order to calculate the mean and median, K&A requires that there be a minimum of four (4) comparator agencies with matching classifications to the benchmark classification. The reason for requiring a minimum of four matches is so that no one classification has undue influence on the calculations. Sufficient data was collected from the comparator agencies for 38 of the 42 benchmark classifications.

When using survey data to make salary range recommendations and adjustments, K&A recommends using the median, rather than the mean, because the median is not skewed by extremely high or low salary values.

MARKET COMPENSATION FINDINGS

The following table represents a summary of the market top monthly (base) salary and total compensation (base salary plus benefits [retirement, insurance, leaves, and allowances]) findings. For each benchmark classification, the number of matches (agencies with a comparable position) and percent above or below the top monthly salary market median and total compensation market median is listed. The table is sorted by top monthly salary in descending order from the most positive percentile (above market) to the most negative (below market).



Total Compensation Study – Final Report

Monterey Regional Waste Management District

Table 4. Market Compensation Results Summary

Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
Senior Engineer	9	18.4%	20.7%
Equipment Maintenance Manager	7	16.9%	10.7%
Accounting Technician	9	16.4%	13.8%
Director of Communications and Sustainability	5	16.4%	11.0%
Site Maintenance Worker II	10	14.8%	11.4%
Accounting Assistant II	9	14.3%	14.4%
Weighmaster	6	13.8%	9.3%
Heavy Equipment Operator	9	10.5%	8.5%
Human Resources Manager	9	6.2%	6.2%
MRF Manager	6	6.0%	5.1%
Director of Operations	8	5.0%	6.6%
Site Operations and Facilities Manager	8	4.8%	7.2%
Safety and Risk Manager	5	4.7%	1.9%
Director of Finance and Administration	9	3.5%	7.7%
Public Education and Outreach Specialist	6	3.3%	2.2%
MRF Equipment Operator II	6	1.4%	0.7%
Executive Assistant – Clerk of the Board	10	0.9%	1.2%
Accounting Manager	9	-0.6%	2.2%
Maintenance Shop Supervisor	7	-1.8%	4.0%
MRF Maintenance Worker II	10	-2.3%	-7.9%
Power Systems Senior Technician	4	-3.0%	-1.6%
MRF Maintenance Assistant II	6	-3.6%	-1.9%
General Manager	10	-3.6%	-3.9%



Total Compensation Study – Final Report

Monterey Regional Waste Management District

Classification Title	# of Matches	Top Monthly % Above or Below	Total Compensation % Above or Below
Site and Facilities Assistant II	8	-3.6%	-9.7%
Director of Engineering and Compliance – District Engineer	10	-4.5%	-2.5%
Administrative Support Specialist II	10	-4.6%	-1.6%
Heavy Equipment Technician II	8	-4.7%	-2.0%
Heavy Equipment Supervisor	9	-4.8%	-1.8%
MRF Associate Operator	5	-5.3%	1.6%
Hazardous Material Technician	6	-5.9%	-10.5%
Sorter II	5	-6.0%	-16.1%
MRF Maintenance Supervisor	8	-6.3%	-8.4%
Maintenance Shop Assistant II	6	-8.1%	-5.3%
Public Education and Outreach Coordinator	8	-8.3%	-3.8%
Human Resources Coordinator	9	-8.4%	-5.8%
Site Maintenance Supervisor	9	-15.9%	-6.3%
Industrial Maintenance Technician	9	-16.2%	-15.9%
MRF Supervisor	9	-17.3%	-5.8%
LCM-HHW Manager	1	Insufficient Data	
Sales Assistant	1	Insufficient Data	
Scale Supervisor	3	Insufficient Data	
Power Systems Supervisor	3	Insufficient Data	

Summary of Findings

A total of forty-two benchmarks were surveyed; four (4) had insufficient data.

The results summary spreadsheet found at Appendix I indicate that:

- **67%** of benchmark classifications indicate a comparable or higher market position in both base salary and total compensation.



Total Compensation Study – Final Report

Monterey Regional Waste Management District

- 24% of benchmark classifications indicate a market position of more than 5% below market in both base salary and total compensation.
- A total of 9% of the surveyed benchmarks (4 positions) did not have sufficient matches to provide analysis data.
- Benchmarks falling within 5% above or below market are considered to be comparable with the surveyed marketplace.
- Benchmarks below market:
 - There were 10 benchmarks that fell below the market by more than 5% with an overall below market average of -9.8%. (Total Compensation below market average is -7.6%.)
 - 3 benchmarks were more than 10% below the market.
- Benchmarks above market:
 - There were 10 benchmarks that were above the market by more than 5% with an overall above market average of 13.4%.
 - 8 benchmarks were more than 10% above market.

Generally, a classification falling within 5% of the median is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy, actual scope of work, and position requirements. However, the District can adopt a different standard.

- The District's Base salaries are on average 0.6% higher than the market.
- The District's Total Compensation (which includes both base salary and benefits) data, on average, is 0.9% higher than the surveyed marketplace.

Overall, the difference between market base salaries and total compensation is minimal and indicate that, overall, the Client's benefits package does not provide a more competitive advantage.

Benefits

The table below represents the FLSA status for supervisory classifications in the surveyed agencies. Four (4) of the agencies classify supervisors as exempt, not eligible for overtime; two (2) of the agencies have both exempt and non-exempt supervisors and both are eligible for overtime; one (1) agency classifies their supervisors as exempt but gives them a choice of receiving overtime or administrative leave (not common); the remaining three (3) agencies have non-exempt supervisors who are eligible for overtime.

The overtime benefit is not normally utilized when establishing base salaries, as overtime is not guaranteed and is not a reliable predictor of additional pay. In a survey such as this, where the surveyed agencies are a mix of exempt and non-exempt classifications that may or may not be overtime eligible, utilizing overtime information would skew the final results and present an over or under exaggerated salary result depending on which agencies provided matches on a particular benchmark.



Total Compensation Study – Final Report

Monterey Regional Waste Management District

Table 5. FLSA Status for Supervisor Classifications

Agency	Supervisor FLSA Status	Notes
City of Oxnard	Exempt	
City of Santa Cruz	Non-Exempt	
City of Watsonville	Exempt	
County of Sacramento	Exempt	Supervisors are exempt; however, employees hired after November 2001 receive administrative leave. Employees hired prior to the ratification of this agreement who choose not to receive administrative leave may earn overtime. This option may be chosen annually; however, once an employee elects to participate in administrative leave, they may not return to the overtime option.
County of San Joaquin	Exempt & Non-Exempt	Agency has exempt supervisors who are eligible for OT; however, the agency matches in this study are non-exempt.
County of Santa Cruz	Non-Exempt	
County Sanitation District of Los Angeles	Exempt & Non-Exempt	Three of the agency matches in this study are non-exempt and two are exempt but are eligible for OT.
Monterey Regional Water Pollution Control	Exempt	
Orange County Sanitation	Exempt	
Salinas Valley Solid Waste Authority	Non-Exempt	

- **Additional Benefit Information**

- Average comparator contribution towards health insurances was \$1920 mo. District contribution was competitive at \$2,029 mo.
- Retirement was slightly below market for Unrep/Management due to six agencies providing either social security or deferred compensation in addition to PERS comparable plan. The participation of four agencies in social security in addition to PERS impacted line staff.
- Leave is competitive overall.



INTERNAL SALARY RELATIONSHIPS

Building from the salary levels established for identified benchmark classes, internal salary relationships were developed and consistently applied in order to develop specific salary recommendations for all non-benchmarked classifications.

In the future, the District may need to utilize internal alignment practices if the number of staff grows and additional classifications are added or classifications change. While analyzing internal relationships, the same factors analyzed when comparing the District's classifications to the labor market are used when making internal salary alignment recommendations.

In addition, the following are standard human resources practices that are commonly applied when making salary recommendations based upon internal relationships:

- A salary within 5% of the market average or median is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy and actual scope of the position and its requirements. However, the District can adopt a closer standard.
- Certain internal percentages are often applied. Those that are the most common are:
 - The differential between a trainee and experienced (or journey) class in a series (I/II or Trainee/Experienced) is generally 10% to 15%;
 - A lead or advanced journey-level (III or Senior-level) class is generally placed 10% to 15% above the journey-level.
 - A full supervisory class is normally placed at least 15% to 25% above the highest level supervised, depending upon the breadth and scope of supervision.
- When a market or internal equity adjustment is granted to one class in a series, the other classes in the series are also adjusted accordingly to maintain internal equity.

Internal equity between certain levels of classifications is a fundamental factor to be considered when making salary decisions. When conducting a market compensation survey, results can often show that certain classifications that are aligned with each other are not the same in the outside labor market. However, as an organization, careful consideration should be given to these alignments because they represent internal value of classifications within job families, as well as across the organization. It is also important to analyze market data and internal relationships within class series as well as across the organization, and make adjustments to salary range placements, as necessary, based on the needs of the organization. This market survey is only a tool to be used by the District to determine market indexing and salary determination.

RECOMMENDATIONS

Pay Philosophy

The District has many options regarding what type of compensation plan it wants to implement. This decision will be based on what the District's pay philosophy is, at which level it



Total Compensation Study – Final Report Monterey Regional Waste Management District

desires to pay its employees compared to the market, whether it is going to consider additional alternative compensation programs, and how great the competition is with other agencies over recruitment of a highly-qualified workforce.

Proposed Salary Structure

Currently, the District has no formal salary structure. Classifications are grouped within a specific work unit and each classification is in its own pay range 6 steps and 2 longevity steps. Without a formal structure, there has been no way for the District to monitor internal equity and alignment and has resulted in compression between certain classes.

As an example, the spread between the Senior Engineer and the Director of Engineering & Compliance/District Engineer is only 5%. Normally there would be a 15% to 20% differential between a Director and the highest level supervised. A structured salary schedule would ensure that classifications were placed in ranges appropriately distinguishing them from higher and lower level classifications and would ensure internal equity amongst District staff. It is recommended that the Client implement a formal salary structure with appropriate grades and ranges within which to place their classifications. Appendix III contains the salary range structure proposed by Koff.

It is important to note that the salary range structure connects all salary ranges, and their steps, by formula, thereby allowing for COLAs to be applied to only one-dollar figure in the table/matrix, which then automatically updates the entire table. Due to the formula that connects each range to the next (with 2.5% differentials between each range), there is a compounding effect when drawing relationships that span several ranges. For example, with 2.5% differentials between ranges, four ranges should represent a 10% differential. However, because the compounding effect of 2.5%, on top of 2.5%, on top of 2.5%, and so on, the differential between Range 1 and Range 5 is not exactly 10%, but it is slightly greater.

Proposed Salary Range Placements

Appendix IV illustrates the proposed salary range placement for each classification based on the market data as well as the internal relationship analysis. The recommendations are based on base salary market results. The following calculation was used:

1. Multiplied the District's current top monthly salary by the percentage difference between the Client's base salary and the base salary market median to calculate the Market Placement Salary.
2. The classification was then placed within the proposed salary range with a Step 6 salary closest to the Market Placement Salary.

K&A also modified the current internal alignment in certain instances where it seemed warranted based on market-supported groupings and/or compaction issues.

For all classifications, this primary implementation procedure must be completed only at the initial time of implementation. In the future, if the District decides to implement annual across-



the-board cost of living adjustment increases, only the salary schedule that was developed and included herein needs to be increased by the appropriate percentage, and each individual salary range will move up with this adjustment. This will ensure that the internal salary relationships are preserved and the salary schedule remains structured and easily administered.

Options for Implementation

While the District may be interested in bringing all salaries to the market median, in most cases this goal may not be reached with a single adjustment. In this case, one option is to use a phased implementation approach. Normally, if the compensation implementation program must be carried over months or years, the classes that are farthest from the market median should receive the greatest equity increase (separate from any cost of living increase). If a class falls within 5% of the market median, it would be logical to make no equity adjustment in the first round of changes. However, if a class is more than 5% (or in this case, more than 20%) below the market median, a higher percentage change may be initially warranted to reduce the disparity.

For example, if the District decided to implement the recommendations over a three-year period, then the following guidelines could be applied for the initial increase of the three-year implementation plan:

Table 6. Three-Year Implementation Proposal

Market Disparity	% Increase
0 to 4.99%	0 to 2.49%
5.0% to 9.99%	2.5% to 4.99%
10.0% to 14.99%	5.0% to 7.49%
15.0% to 19.99%	7.5% to 9.99%
20.0% and above	10.0%

The initial first year adjustment would provide a portion of the equity increase and place the class into the closest step (but not below) where they are now. Subsequent increases would be spaced on a similar schedule (at annual intervals) based upon the remaining disparity after each adjustment.

Please note that typically, for those classes that had a market disparity of 0 to 4.99%, we recommend a 0% increase in the first year and an adjustment in the second year. Depending upon the District's financial situation, which will have to be reviewed before each further adjustment is made, all market disparity adjustments are intended to be completed by the third year. The District implementation plan.

Another option is to move employees into the salary range that is recommended for each class based on this market study and to the step within the new range that is closest to their current compensation. If employees' current salaries are significantly below market so that their current compensation falls below the bottom of the newly recommended range, then larger adjustments would be needed to move those employees at least to the bottom of the new salary range.



Total Compensation Study – Final Report Monterey Regional Waste Management District

The District may spend additional time to go through a process of deliberation and decision-making as to what compensation philosophy it should implement to attract, motivate, and retain a high-quality workforce. However, the District may want to consider adjusting those classifications' salaries that are currently below the market median as soon as possible, assuming that incumbents' performance meets the District's level of expectation.

When classifications are over market, K&A typically recommends Y-rating employees whose current pay exceeds the maximum of the recommended range until the market numbers "catch up" with their current salary. To Y-rate an employee means to keep the employee's salary frozen and to provide no salary increases (including no cost of living adjustments) until the employee's current salary is within the recommended salary range. This will result in no immediate loss of income but will delay any future increases until the incumbent's salary is within the salary range.

Other options to "freezing" a classification's salary in place until the market catches up are:

- **"Grandfathering" of salary ranges:** This means that the salary range for the classification is adjusted down to what the market numbers are. However, current incumbents would continue being paid at the current rate of pay (which would put them outside of the new and adjusted salary range for the class) until they separate from employment with the District. Any new-hires would be paid within the newly established salary range.
- **Single-incumbent classes:** If a class only has one incumbent, an option would be to wait until the person separates from employment with the District and then adjust the salary range for the class according to the market.
- **Recent hires:** Some employees who have recently been hired may still be at one of the lower steps within their current salary range. So, even if the top of their current salary range is above market, the incumbents are currently still paid below the market maximum because they are not at the top of their current salary range. In this case, an immediate salary range adjustment could be made to bring the salary range within the market. This would bring the affected incumbents either to the top of the market range or very close to it, but they would not technically be Y-rated or lose any pay.

Another option, of course, is to actually reduce salaries down to the market. However, from an employee relations perspective this may not be a viable option.

USING THE SURVEYED AGENCY DATA AS A TOOL

K&A would like to reiterate that this report and the findings are meant to be a tool for the District to create and implement an equitable compensation plan. Compensation strategies are designed to attract and retain excellent staff; however, financial realities and the District's expectations may also come into play when determining appropriate compensation philosophies and strategies. The collected data presented herein represents a market survey that will give the District an instrument to make future compensation decisions.



Total Compensation Study – Final Report

Monterey Regional Waste Management District

It has been a pleasure working with the District on this critical project. Please do not hesitate to contact us if we can provide any additional information or clarification regarding this report.

Respectfully submitted by,
Koff & Associates

Katie Kaneko
President

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**Monterey Regional Waste Management District
Appendix IV - Range Placement - Alpha Sort
May 2019**

Class Title	Current Maximum Monthly Salary	-5% Below Market Placement	Market Placement	+5% Above Market Placement	Proposed Salary Range	Proposed Maximum Monthly Salary	Percent Difference	Rationale
Accounting Assistant I	\$5,227				24	\$4,549	-12.97%	Internal Alignment: 10% below Accounting Assistant II
Accounting Assistant II	\$5,764	\$4,693	\$4,940	\$5,187	28	\$5,021	-12.89%	Market & Range Placement
Accounting Manager	\$10,301	\$9,845	\$10,363	\$10,881	57	\$10,276	-0.25%	Market & Range Placement
Accounting Technician	\$7,004	\$5,563	\$5,855	\$6,148	34	\$5,823	-16.86%	Market & Range Placement
Administrative Support Specialist I	\$5,227				31	\$5,407	3.45%	Internal Alignment: 10% below Administrative Support Specialist II
Administrative Support Specialist II	\$5,764	\$5,728	\$6,029	\$6,331	35	\$5,969	3.55%	Market & Range Placement
Assistant Accounting Manager	\$9,330				49	\$8,434	-9.61%	Internal Alignment: 20% below the Accounting Manager
Assistant MRF Manager	\$9,346				53	\$9,309	-0.39%	Internal Alignment: 20% below the MRF Manager
Associate Engineer	\$10,303				57	\$10,276	-0.27%	Internal Alignment: 10% below the Senior Engineer
Deputy Weighmaster	\$5,197				24	\$4,549	-12.47%	Internal Alignment: 10% below Weighmaster
Director of Communications and Sustainability	\$13,151	\$10,445	\$10,994	\$11,544	60	\$11,066	-15.86%	Market & Range Placement
Director of Engineering and Compliance-District Engineer	\$14,508	\$14,403	\$15,161	\$15,919	73	\$15,254	5.14%	Market & Range Placement
Director of Finance and Administration	\$14,508	\$13,300	\$14,000	\$14,700	70	\$14,165	-2.36%	Market & Range Placement
Director of Operations	\$15,596	\$14,075	\$14,816	\$15,557	72	\$14,882	-4.58%	Market & Range Placement
Equipment Maintenance Manager	\$11,928	\$9,417	\$9,912	\$10,408	61	\$11,342	-4.91%	Internal Alignment: anchor to Site Operations and Facilities Manager
Executive Assistant-Clerk of the Board	\$7,723	\$7,271	\$7,653	\$8,036	45	\$7,640	-1.07%	Market & Range Placement
General Manager	\$18,362	\$17,377	\$18,292	\$19,207	80	\$18,132	-1.25%	Market & Range Placement
Household Hazardous Material Technician	\$5,905	\$5,941	\$6,253	\$6,566	33	\$5,681	-3.79%	Internal Alignment: anchor to the Heavy Equipment Technician I
Heavy Equipment Operator	\$6,834	\$5,811	\$6,116	\$6,422	37	\$6,271	-8.24%	Internal Alignment: align to Senior MRF Operator
Heavy Equipment Supervisor	\$7,533	\$7,500	\$7,895	\$8,289	43	\$7,272	-3.46%	Internal Alignment: 15% above Heavy Equipment Operator
Heavy Equipment Technician I	\$5,764				33	\$5,681	-1.43%	Internal Alignment: 10% below the Heavy Equipment Technician II
Heavy Equipment Technician II	\$6,050	\$6,018	\$6,334	\$6,651	37	\$6,271	3.65%	Market & Range Placement
Heavy Equipment Technician III	\$7,356				41	\$6,922	-5.90%	Internal Alignment - 10% above Heavy Equipment Technician II
Human Resources Assistant	\$5,151				33	\$5,681	10.29%	Internal Alignment - 10% below the HR Coordinator
Human Resources Coordinator	\$5,764	\$5,936	\$6,248	\$6,561	37	\$6,271	8.79%	Market & Range Placement
Human Resources Manager	\$13,151	\$11,719	\$12,336	\$12,952	64	\$12,214	-7.12%	Market & Range Placement
Industrial Maintenance Technician	\$6,198	\$6,842	\$7,202	\$7,562	43	\$7,272	17.33%	Market & Range Placement
Last Chance Assistant Manager	\$6,050				36	\$6,118	1.12%	Internal Alignment - 10% below the Scales Supervisor
Last Chance Mercantile Supervisor	\$5,623				36	\$6,118	8.80%	Internal Alignment - currently 8% below LC Assistant Manager
LCM Associate Operator	\$3,971				20	\$4,121	3.78%	Internal Alignment - Align with MRF Associate Operator
LCM-HHW Manager	\$11,928				61	\$11,342	-4.91%	Internal Alignment - Anchor to Site and Facilities Manager
Maintenance Shop Assistant II	\$3,467	\$3,560	\$3,748	\$3,935	15	\$3,643	5.06%	Internal Alignment- Anchor to Site and Facilities Assistant II
Maintenance Shop Supervisor	\$8,091	\$7,825	\$8,237	\$8,648	48	\$8,228	1.69%	Market & Range Placement - Align with MRF Maintenance Supervisor
MRF Associate Operator	\$3,971	\$3,972	\$4,181	\$4,391	20	\$4,121	3.78%	Market & Range Placement
MRF Maintenance Assistant I	\$2,924				11	\$3,300	12.86%	Internal Alignment - 10% lower than II level
MRF Maintenance Assistant II	\$3,467	\$3,412	\$3,592	\$3,771	15	\$3,643	5.06%	Market & Range Placement
MRF Maintenance Supervisor	\$7,723	\$7,799	\$8,210	\$8,620	48	\$8,228	6.54%	Market & Range Placement
MRF Maintenance Worker I	\$5,355				29	\$5,147	-3.89%	Internal Alignment-10% below MRF Maintenance Worker II
MRF Maintenance Worker II	\$5,623	\$5,465	\$5,752	\$6,040	33	\$5,681	1.03%	Market & Range Placement
MRF Manager	\$11,928	\$10,652	\$11,212	\$11,773	61	\$11,342	-4.91%	Market & Range Placement
MRF Operator I	\$5,355				29	\$5,147	-3.89%	Internal Alignment - 10% below MRF Operator II

**Monterey Regional Waste Management District
Appendix IV - Range Placement - Alpha Sort
May 2019**

Class Title	Current Maximum Monthly Salary	-5% Below Market Placement	Market Placement	+5% Above Market Placement	Proposed Salary Range	Proposed Maximum Monthly Salary	Percent Difference	Rationale
MRF (Equipment) Operator II	\$5,623	\$5,267	\$5,544	\$5,821	33	\$5,681	1.03%	Internal Alignment - Anchor to Maintenance Worker II
MRF Supervisor	\$6,834	\$7,615	\$8,016	\$8,417	43	\$7,272	6.41%	Market & Range Placement-15% above the Senior MRF Operator
Operations Support Specialist	\$5,764				31	\$5,407	-6.19%	Internal Alignment: anchor to Administrative Support Specialist I
Power Systems Maintenance Technician	\$6,353				37	\$6,271	-1.29%	Internal Alignment-35% below the Power Systems Senior Technician
Power Systems Senior Technician	\$8,515	\$8,332	\$8,770	\$9,209	51	\$8,861	4.06%	Market & Range Placement
Power Systems Supervisor	\$9,387				59	\$10,796	15.01%	Internal Alignment - 15% above the Power Systems Senior Technician
Public Education and Outreach Coordinator	\$7,356	\$7,568	\$7,967	\$8,365	47	\$8,027	9.12%	Market & Range Placement
Public Education and Outreach Specialist	\$5,764	\$5,295	\$5,574	\$5,852	32	\$5,543	-3.84%	Market & Range Placement
Recycling Attendant	\$3,267				11	\$3,300	1.01%	Internal Alignment-Anchor to Sorter I
Safety and Risk Manager	\$10,303	\$9,328	\$9,819	\$10,310	55	\$9,780	-5.07%	Market & Range Placement
Sales Assistant	\$3,267				11	\$3,300	1.01%	Internal Alignment - Anchor to Sorter I
Sales Associate	\$3,782				15	\$3,643	-3.69%	Internal Alignment-10% above Sales Assistant
Scale Supervisor	\$6,671				37	\$6,271	-6.00%	Internal Alignment- 15% above the Weighmaster
Senior Engineer	\$13,810	\$10,706	\$11,269	\$11,832	61	\$11,342	-17.87%	Market & Range Placement - currently only 5% below Director
Senior HHW Technician	\$6,198				40	\$6,753	8.95%	Internal Alignment-10% above the HHW Technician
Senior Maintenance Worker	\$6,198				37	\$6,271	1.18%	Internal Alignment- 10% above the MRF Maintenance Worker
Senior MRF Operator	\$6,198				37	\$6,271	1.18%	Internal Alignment-10% above the MRF Operator II
Site and Facilities Assistant I	\$2,924				10	\$3,219	10.10%	Internal Alignment - 10% below Site and Facilities Assistant II
Site and Facilities Assistant II	\$3,467	\$3,412	\$3,592	\$3,771	15	\$3,643	5.06%	Market & Range Placement
Site Maintenance Supervisor	\$7,004	\$7,712	\$8,118	\$8,524	43	\$7,272	3.83%	Internal Alignment: anchor to the Heavy Equipment Supervisor
Site Maintenance Worker II	\$5,623	\$4,551	\$4,791	\$5,030	26	\$4,779	-15.00%	Market & Range Placement - Align with MRF Maintenance Worker II
Site Operations and Facilities Manager	\$11,928	\$10,788	\$11,355	\$11,923	61	\$11,342	-4.91%	Market & Range Placement
Sort Line Lead	\$3,782				29	\$5,147	36.09%	Internal Alignment-anchor to MRF Operator I
Sorter I	\$2,924				11	\$3,300	12.86%	Internal Alignment - 10% below Sorter II
Sorter II	\$3,467	\$3,491	\$3,675	\$3,859	15	\$3,643	5.06%	Market & Range Placement
Weighmaster	\$5,764	\$4,720	\$4,969	\$5,217	31	\$5,407	-6.19%	Internal Alignment- anchor to Administrative Support Specialist I

Legend for columns:

Column 1 - Classification Title.

Column 2 - Client's current monthly maximum salaries.

Column 3 - Market placement shows the monthly market values derived from the total compensation survey results.

Column 4 - Salary range number of the consultant's newly proposed salary range schedule.

Column 5 - Monthly maximum salary of the consultant's newly proposed salary ranges.

Column 6 - This percentage expresses the difference between the client's current salaries and the consultant's proposed salaries.

Column 7 - The rationale expresses how the consultant arrived at each proposed maximum monthly salary recommendation (i.e., the proposed range placement within the newly proposed salary range schedule).

Monterey Regional Waste Management District
Appendix IV - Range Placement - Range Sort
May 2019

Class Title	Current Maximum Monthly Salary	% from Top Monthly Median or Base Salary	-5% Below Market Placement	Market Placement	+5% Above Market Placement	Proposed Salary Range	Proposed Maximum Monthly Salary	Percent Difference	Rationale
General Manager	\$18,362	-3.6%	\$17,377	\$18,292	\$19,207	80	\$18,132	-1.25%	Market & Range Placement
Director of Engineering and Compliance-District Engineer	\$14,508	-4.5%	\$14,403	\$15,161	\$15,919	73	\$15,254	5.14%	Market & Range Placement
Director of Operations	\$15,596	5.0%	\$14,075	\$14,816	\$15,557	72	\$14,882	-4.58%	Market & Range Placement
Director of Finance and Administration	\$14,508	3.5%	\$13,300	\$14,000	\$14,700	70	\$14,165	-2.36%	Market & Range Placement
Human Resources Manager	\$13,151	6.2%	\$11,719	\$12,336	\$12,952	64	\$12,214	-7.12%	Market & Range Placement
Equipment Maintenance Manager	\$11,928	16.9%	\$9,417	\$9,912	\$10,408	61	\$11,342	-4.91%	Internal Alignment: anchor to Site Operations and Facilities Manager
LCM-HHW Manager	\$11,928	Insufficient Data				61	\$11,342	-4.91%	Internal Alignment - Anchor to Site and Facilities Manager
MRF Manager	\$11,928	6.0%	\$10,652	\$11,212	\$11,773	61	\$11,342	-4.91%	Market & Range Placement
Senior Engineer	\$13,810	18.4%	\$10,706	\$11,269	\$11,832	61	\$11,342	-17.87%	Market & Range Placement - currently only 5% below Director
Site Operations and Facilities Manager	\$11,928	4.8%	\$10,788	\$11,355	\$11,923	61	\$11,342	-4.91%	Market & Range Placement
Director of Communications and Sustainability	\$13,151	16.4%	\$10,445	\$10,994	\$11,544	60	\$11,066	-15.86%	Market & Range Placement
Power Systems Supervisor	\$9,387	Insufficient Data				59	\$10,796	15.01%	Internal Alignment - 15% above the Power Systems Senior Technician
Accounting Manager	\$10,301	-0.6%	\$9,845	\$10,363	\$10,881	57	\$10,276	-0.25%	Market & Range Placement
Associate Engineer	\$10,303	4.7%	\$9,328	\$9,819	\$10,310	57	\$10,276	-0.27%	Internal Alignment: 10% below the Senior Engineer
Safety and Risk Manager	\$10,303					55	\$9,780	-5.07%	Market & Range Placement
Assistant MRF Manager	\$9,346					53	\$9,309	-0.39%	Internal Alignment: 20% below the MRF Manager
Power Systems Senior Technician	\$8,515	-3.0%	\$8,332	\$8,770	\$9,209	51	\$8,861	4.06%	Market & Range Placement
Assistant Accounting Manager	\$9,330					49	\$8,434	-9.61%	Internal Alignment: 20% below the Accounting Manager
Maintenance Shop Supervisor	\$8,091	-1.8%	\$7,825	\$8,237	\$8,648	48	\$8,228	1.69%	Market & Range Placement - Align with MRF Maintenance Supervisor
MRF Maintenance Supervisor	\$7,723	-6.3%	\$7,799	\$8,210	\$8,620	48	\$8,228	6.54%	Market & Range Placement
Public Education and Outreach Coordinator	\$7,356	-8.3%	\$7,568	\$7,967	\$8,365	47	\$8,027	9.12%	Market & Range Placement
Executive Assistant-Clerk of the Board	\$7,723	0.9%	\$7,271	\$7,653	\$8,036	45	\$7,640	-1.07%	Market & Range Placement
Heavy Equipment Supervisor	\$7,533	-4.8%	\$7,500	\$7,895	\$8,289	43	\$7,272	-3.46%	Internal Alignment: 15% above Heavy Equipment Operator
Industrial Maintenance Technician	\$6,198	-16.2%	\$6,842	\$7,202	\$7,562	43	\$7,272	17.33%	Market & Range Placement
MRF Supervisor	\$6,834	-17.3%	\$7,615	\$8,016	\$8,417	43	\$7,272	6.41%	Market & Range Placement-15% above the Senior MRF Operator
Site Maintenance Supervisor	\$7,004	-15.9%	\$7,712	\$8,118	\$8,524	43	\$7,272	3.83%	Internal Alignment: anchor to the Heavy Equipment Technician II
Heavy Equipment Technician III	\$7,356					41	\$6,922	-5.90%	Internal Alignment - 10% above Heavy Equipment Technician II
Senior HHW Technician	\$6,198					40	\$6,753	8.95%	Internal Alignment-10% above the HHW Technician
Heavy Equipment Operator	\$6,834	10.5%	\$5,811	\$6,116	\$6,422	37	\$6,271	-8.24%	Internal Alignment: align to Senior MRF Operator
Heavy Equipment Technician II	\$6,050	-4.7%	\$6,018	\$6,334	\$6,651	37	\$6,271	3.65%	Market & Range Placement
Human Resources Coordinator	\$5,764	-8.4%	\$5,936	\$6,248	\$6,561	37	\$6,271	8.79%	Market & Range Placement
Power Systems Maintenance Technician	\$6,353					37	\$6,271	-1.29%	Internal Alignment-35% below the Power Systems Senior Technician
Scale Supervisor	\$6,671	Insufficient Data				37	\$6,271	-6.00%	Internal Alignment: 15% above the Weighmaster
Senior Maintenance Worker	\$6,198					37	\$6,271	1.18%	Internal Alignment- 10% above the MRF Maintenance Worker
Senior MRF Operator	\$6,198					37	\$6,271	1.18%	Internal Alignment-10% above the MRF Operator II
Last Chance Assistant Manager	\$6,050					36	\$6,118	1.12%	Internal Alignment - 10% below the Scales Supervisor
Last Chance Mercantile Supervisor	\$5,623					36	\$6,118	8.80%	Internal Alignment - currently 8% below LC Assistant Manager
Administrative Support Specialist II	\$5,764	-4.6%	\$5,728	\$6,029	\$6,331	35	\$5,969	3.55%	Market & Range Placement
Accounting Technician	\$7,004	16.4%	\$5,563	\$5,855	\$6,148	34	\$5,823	-16.86%	Market & Range Placement
Household Hazardous Material Technician	\$5,905	-5.9%	\$5,941	\$6,253	\$6,566	33	\$5,681	-3.79%	Internal Alignment: anchor to the Heavy Equipment Technician I
Heavy Equipment Technician I	\$5,764					33	\$5,681	-1.43%	Internal Alignment: 10% below the Heavy Equipment Technician II
Human Resources Assistant	\$5,151					33	\$5,681	10.29%	Internal Alignment - 10% below the HR Coordinator
MRF Maintenance Worker II	\$5,623	-2.3%	\$5,465	\$5,752	\$6,040	33	\$5,681	1.03%	Market & Range Placement
MRF (Equipment) Operator II	\$5,623	1.4%	\$5,267	\$5,544	\$5,821	33	\$5,681	1.03%	Internal Alignment - Anchor to Maintenance Worker II
Public Education and Outreach Specialist	\$5,764	3.3%	\$5,295	\$5,574	\$5,852	32	\$5,543	-3.84%	Market & Range Placement
Administrative Support Specialist I	\$5,227					31	\$5,407	3.45%	Internal Alignment: 10% below Administrative Support Specialist II
Operations Support Specialist	\$5,764					31	\$5,407	-6.19%	Internal Alignment: anchor to Administrative Support Specialist I
Weighmaster	\$5,764	13.8%	\$4,720	\$4,969	\$5,217	31	\$5,407	-3.89%	Internal Alignment- anchor to Administrative Support Specialist I
MRF Maintenance Worker I	\$5,355					29	\$5,147	-3.89%	Internal Alignment-10% below MRF Maintenance Worker II
MRF Operator I	\$5,355					29	\$5,147	-3.89%	Internal Alignment-10% below MRF Operator II
Sort Line Lead	\$3,782					28	\$5,147	36.09%	Internal Alignment-anchor to MRF Operator I
Accounting Assistant II	\$5,764	14.3%	\$4,693	\$4,940	\$5,187	28	\$5,021	-12.89%	Market & Range Placement
Site Maintenance Worker II	\$5,623	14.8%	\$4,551	\$4,791	\$5,030	26	\$4,779	-15.00%	Market & Range Placement - Align with MRF Maintenance Worker II
Accounting Assistant I	\$5,227					24	\$4,549	-12.97%	Internal Alignment: 10% below Accounting Assistant II

Monterey Regional Waste Management District
Appendix IV - Range Placement - Range Sort
May 2019

Deputy Weighmaster	\$5,197							24	\$4,549	-12.47%	Internal Alignment: 10% below Weighmaster
LCM Associate Operator	\$3,971							20	\$4,121	3.78%	Internal Alignment - Align with MRF Associate Operator
MRF Associate Operator	\$3,971	-5.3%		\$3,972	\$4,181	\$4,391		20	\$4,121	3.78%	Market & Range Placement
Maintenance Shop Assistant II	\$3,467	-8.1%		\$3,560	\$3,748	\$3,935		15	\$3,643	5.06%	Internal Alignment - Ancor to Site and Facilities Assistant II
MRF Maintenance Assistant II	\$3,467	-3.6%		\$3,412	\$3,592	\$3,771		15	\$3,643	5.06%	Market & Range Placement
Sales Associate	\$3,782							15	\$3,643	-3.69%	Internal Alignment - 10% above Sales Assistant
Site and Facilities Assistant II	\$3,467	-3.6%		\$3,412	\$3,592	\$3,771		15	\$3,643	5.06%	Market & Range Placement
Sorter II	\$3,467	-6.0%		\$3,491	\$3,675	\$3,859		15	\$3,643	5.06%	Market & Range Placement
MRF Maintenance Assistant I	\$2,924							11	\$3,300	12.86%	Internal Alignment - 10% lower than II level
Recycling Attendant	\$3,267							11	\$3,300	1.01%	Internal Alignment - Ancor to Sorter I
Sales Assistant	\$3,267	Insufficient Data						11	\$3,300	1.01%	Internal Alignment - Ancor to Sorter I
Sorter I	\$2,924							11	\$3,300	12.86%	Internal Alignment - 10% below Sorter II
Site and Facilities Assistant I	\$2,924							10	\$3,219	10.10%	Internal Alignment - 10% below Site and Facilities Assistant II

Legend for columns:

- Column 1 - Classification Title.
- Column 2 - Client's current monthly maximum salaries.
- Column 3 - Market placement shows the monthly market values derived from the top monthly base salary survey results.
- Column 4 - Salary range number of the consultant's newly proposed salary range schedule.
- Column 5 - Monthly maximum salary of the consultant's newly proposed salary ranges.
- Column 6 - This percentage expresses the difference between the client's current salaries and the consultant's proposed salaries.
- Column 7 - The rationale expresses how the consultant arrived at each proposed maximum monthly salary recommendation (i.e., the proposed range placement within the newly proposed salary range schedule).

**LABOR CONTRACTS
TENTATIVE AGREEMENT**

Attachment B

CONTRACT TERM	MANAGERS		OPERATORS		LABORER & SALES CLERKS		SUPPORT (OFFICE STAFF)		NON-AFFILIATED
	5 Years	3 Years	4 Years	5 Years					N/A
	Yes (years 4-5)	No							
COMPENSATION									
Market-Based Wage Adjustments - Using results of Comp Study, adjust positions under market to median (-5/+5). - Freeze pay schedule for positions over 10% above market until pay falls below 10% above median.	Yes	No						Yes	
Annual Rate Increases (CPI is based on San Francisco Area - April of each year)	Year 1 - 5: 100% of CPI (within 1.5% - 4.5%)	Year 1: 4.0% Year 2: 3.5% Year 3: 3.0%	Year 1: \$1.00 - 1.34 Year 2: 3.5% Year 3: 3.0% Year 4: 100% of CPI (within 2.5% - 4.0%)	Year 1: 4.0% Year 2: 3.5% Year 3: 3.0% Year 4: 100% of CPI (within 2.5% - 4.0%)			4.0% (FY 2019/20 only)		
Overtime/Compensatory Time	N/A	CAP: No Change (140 hours) Use of Comp Time does not count towards overtime				Same for non-exempt positions			
Management Leave	117 hours/year	N/A				117 hours/year			
Shift Differential	2.5% - 10% (4 shifts start times from 11:00 AM - 10:30PM)				N/A				
Longevity Pay and 457(b) Employer Match	Grandfather employees currently eligible for both. Allow employees hired prior to 6/30/19 option of Longevity Pay or 457(b) Employer Match. Sunset Longevity Pay after 7/1/19. NEW 457(b) Employer Match: (2.0% - 7.0%, based on years of service) .								
BENEFITS									
Education Reimbursement	No Change (\$2K/year)		Allow borrowing of up to 2 years benefit (\$2K/Year)				N/A		
Bereavement Leave	3 days per event								
Life/AD&D Insurance	No Change								
Short-Term and Long-Term Disability Insurance	No Change								
Vacation Accrual	No Change								

LABOR CONTRACTS
TENTATIVE AGREEMENT

	MANAGERS	OPERATORS	LABORER & SALES CLERKS	SUPPORT (OFFICE STAFF)	NON-AFFILIATED
Paid Sick Time			No Change		
OTHER					
Safety Shoes Allowance		\$250/FY		N/A	N/A
Tool Allowance	N/A	\$700/FY	N/A	N/A	N/A
Clothing (Logowear) Allowance		N/A		\$200 per Calendar Year	N/A
ITEMS PENDING (Effects Bargaining)					
Payroll Processing Change (9/1/19) - Replace pay-in-advance process with pay-in-arrears process. - Change to bi-weekly payroll (currently semi-monthly)	TA - 6/27/19		Agreed to continue effects bargaining.		N/A
Employee Handbook (9/1/19) - Combine existing Personnel Policies (two) into one Employee Handbook and update to improve clarity and include regulatory requirements.	TA - 6/27/19		Agreed to continue effects bargaining.		N/A