



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: August 2, 2019
 TO: Board of Directors
 FROM: General Manager
 SUBJECT: Pay Increases and Benefit Improvements for Unrepresented, At-Will, Confidential and Part-Time Classifications and Respective Pay Schedule

RECOMMENDATION: That the Board approve the Pay Increases and Benefit Improvements for the Unrepresented, At-Will, Confidential and Part-Time Classifications as described below and the Respective Pay Schedule.

BACKGROUND & DISCUSSION

Labor agreements with the four bargaining groups and their respective Compensation Schedules expired on June 30, 2019. Successor agreements have been presented for Board approval for the four bargaining units. The negotiated agreements include benefit improvements and pay increases for all employees, except the Unrepresented, Confidential and At-Will employees. The Unrepresented positions include the Senior Leadership Team, confidential employees and a part-time employee. Historically, the Unrepresented employees have received the same benefits and pay increases as the employees in similar represented positions for internal alignment and equity purposes.

This year, we have an additional reference to consider in making compensation recommendations. The Total Compensation Study (Comp Study) by Koff & Associates that began in the Fall of 2018, culminated with a Final Report, dated May 17, 2019. 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. After adjusting for internal alignment considerations, the Comp Study established a Range Placement (Appendix IV of Comp Study) based on median market data. A salary within 5% (-5 to +5) of the Comp Study Range Placement is considered to be competitive and within market.

The Comp Study was a key point of reference during labor negotiations with the bargaining group and District Negotiators proposed to apply market adjustments to the positions that were found to be out of market, by bringing to market the positions that were found to be below market and freezing positions that were found to be 10% above market. Ultimately, the Management Unit agreed with this proposal and the three OE3 bargaining groups declined and negotiated either a percentage increase or a flat dollar amount for all classification within the unit.

MARKET ADJUSTMENTS/PAY INCREASES:

Based on the District's goal to provide market-competitive wages and consistent with District Negotiators' intent to implement the Comp Study recommendation, I recommend the following market-based pay adjustments to the Unrepresented, At-Will, Confidential and Part-Time Classifications and increase the pay as follows:

Pay Increases and Benefit Improvements for Unrepresented Classifications

August 2, 2019

Page 2

Unrepresented Classifications	Relative to Comp Study Range Placement*	District Recommended Market- Adjustment	Rate Increase (CPI/COLA)	Total 2019/2020 Rate Increase
Exempt, At-Will				
Director of Operations	4.58%	0%	4.0%	4.0%
Director of Engineering & Compliance	(5.14%)	0%	4.0%	4.14%
Director of Finance & Administration	2.36%	0%	4.0%	4.0%
Director of Communications & Sustain.	15.86%	Freeze	0.0%	0.0%
Human Resources Manager	7.12%	0%	4.0%	4.0%
Non-Exempt, Confidential				
Human Resources Coordinator	(8.79%)	3.79%	4.0%	7.79%
Human Resources Assistant	(10.29%)	4.0%	4.0%	8.0%
Non-Exempt, Part-Time				
Deputy Weighmaster	12.47%	Apply Weighmaster (Operations Unit) pay adjustment for class equity.		4.0%
Compliance Support Assistant	N/A	This is a new position. Pay is aligned with similar roles.		N/A

* Current wages above or below Comp Study Range Placement

The Pay Schedule for the Unrepresented Classifications have been adjusted to reflect the pay increases noted above and is attached as Attachment A.

BENEFIT IMPROVEMENTS

In recognition of dedication and loyalty to the District, and to retain valued employees, I am recommending that the same benefit improvements be provided to the At-Will and Confidential employees as being provided to the bargaining groups, as follows:

- **Deferred Compensation Employer-Match to replace Longevity Pay Program:**
 - Employees who are participants in the Longevity Pay Program existing on June 30, 2019 and 457(b) Employer-Match Program existing on June 30, 2019 may elect to continue to participate in these programs.
 - Effective July 1, 2019, Longevity Pay will be end and all other employees will have the option to participate in the new 457(b) deferred compensation employer-match program as follows:
 - After 1 year up to 2% Match
 - After 5 years up to 3% Match
 - After 10 years up to 4% Match
 - After 15 years up to 4% Match plus 1% automatic District contribution
 - After 20 years up to 4% Match plus 2% automatic District contribution
 - After 25 years up to 4% Match plus 3% automatic District contribution
 - Employees hired after July 1, 2019, will have the option to participate in the 457(b) Deferred Compensation Employer-Match Program, as noted above. Longevity Pay will NOT be available to employees hired after July 1, 2019.

- **Bereavement Leave:** Employees may receive up to three (3) days paid bereavement leave per event, in the event of death of an immediate family member. Employees may also use up to 12 days of paid sick leave following the death of an immediate family member. "Immediate family" includes the employee's spouse, child, parent, grandparents, brother, sister, or spouse's parents. It can also include other close persons (subject to the approval of Department Director or General Manager), including a domestic partner, if that person is residing in employee's household.
- **Management Leave (At-Will employees only):** Employee shall receive 117 hours of Management Leave per calendar year (previously was 116 hours).
- All other benefits remain unchanged.
- Part-Time employees are not eligible for District benefits.

FINANCIAL IMPACT

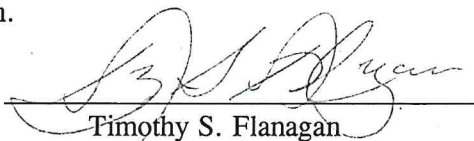
The financial impact of the pay increases and benefit improvements in Fiscal Year 2019-20 is estimated to be approximately \$56,000. The Final FY 2019/20 Budget incorporate the increases provided above.

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

It is therefore requested the Board approve the pay increases for the Unrepresented Classifications and respective Pay Schedule and the benefit improvements described herein.


Timothy S. Flanagan

**Unrepresented Positions
Effective July 1, 2019**

Attachment A

Effective July 1, 2019							LONGEVITY	
CLASSIFICATION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	10 Year	15 Year
EXEMPT								
General Manager Approved : 11/30/18								
Monthly						18,362.16	18,821.21	19,280.27
Semi-Monthly						9,181.08	9,410.61	9,640.13
Hourly						105.93	108.58	111.23
BELOW Effective 07/01/19								
Director of Operations								
Monthly	12,708.31	13,343.72	14,010.92	14,711.45	15,447.04	16,219.38	16,624.86	17,030.35
Semi-Monthly	6,354.15	6,671.86	7,005.46	7,355.73	7,723.51	8,109.70	8,312.43	8,515.17
Hourly	73.32	76.98	80.83	84.87	89.12	93.57	95.91	98.25
Director of Engineering & Compliance/District Engineer								
Monthly	11,821.69	12,412.77	13,033.41	13,685.08	14,369.33	15,087.80	15,464.99	15,842.19
Semi-Monthly	5,910.84	6,206.39	6,516.70	6,842.54	7,184.67	7,543.89	7,732.50	7,921.09
Hourly	68.20	71.61	75.19	78.96	82.90	87.05	89.22	91.40
Director of Finance & Administration								
Monthly	11,821.69	12,412.77	13,033.41	13,685.08	14,369.33	15,087.80	15,464.99	15,842.19
Semi-Monthly	5,910.84	6,206.39	6,516.70	6,842.54	7,184.67	7,543.89	7,732.50	7,921.09
Hourly	68.20	71.61	75.19	78.96	82.90	87.05	89.22	91.40
Director of Communications & Sustainability								
Monthly	10,302.80	10,819.37	11,360.34	11,928.36	12,524.78	13,151.02	13,479.79	13,808.57
Semi-Monthly	5,151.40	5,409.69	5,680.17	5,964.18	6,262.39	6,575.51	6,739.90	6,904.28
Hourly	59.44	62.42	65.54	68.82	72.26	75.87	77.77	79.66
Human Resources Manager								
Monthly	10,714.92	11,252.15	11,814.76	12,405.49	13,025.77	13,677.06	14,018.98	14,360.91
Semi-Monthly	5,357.46	5,626.07	5,907.38	6,202.75	6,512.88	6,838.53	7,009.49	7,180.46
Hourly	61.81	64.92	68.16	71.57	75.15	78.91	80.88	82.85
NON-EXEMPT								
Human Resources Technician (Confidential)								
Monthly	4,867.36	5,109.68	5,366.07	5,633.74	5,915.50	6,212.76	6,368.08	6,523.39
Semi-Monthly	2,433.68	2,554.84	2,683.04	2,816.87	2,957.75	3,106.38	3,184.04	3,261.70
Hourly	28.08	29.48	30.96	32.50	34.13	35.84	36.74	37.63
Hourly w/Bilingual Pay	29.48	30.95	32.51	34.13	35.83	37.63	38.58	39.52
Human Resources Assistant (Confidential)								
Monthly	4,425.41	4,646.68	4,879.01	5,122.96	5,379.11	5,648.07	5,789.27	5,930.47
Semi-Monthly	2,212.70	2,323.34	2,439.51	2,561.48	2,689.56	2,824.03	2,894.63	2,965.23
Hourly	25.53	26.81	28.15	29.56	31.03	32.58	33.40	34.21
Hourly w/Bilingual Pay	26.81	28.15	29.56	31.03	32.58	34.21	35.07	35.92
Compliance Support Assistant (Part-Time)								
Monthly	4,259.90	4,473.30	4,696.22	4,930.01	5,177.40	5,435.65	5,571.54	5,707.43
Semi-Monthly	2,129.95	2,236.65	2,348.11	2,465.01	2,588.70	2,717.82	2,785.77	2,853.72
Hourly	24.58	25.81	27.09	28.44	29.87	31.36	32.14	32.93
Deputy Weighmaster (Part-Time)								
Monthly	4,234.46	4,445.38	4,667.10	4,899.65	5,144.81	5,404.39	5,539.50	5,674.61
Semi-Monthly	2,117.23	2,222.69	2,333.55	2,449.82	2,572.41	2,702.20	2,769.75	2,837.31
Hourly	24.43	25.65	26.93	28.27	29.68	31.18	31.96	32.74
Hourly w/Bilingual Pay	25.04	26.29	27.60	28.97	30.42	31.96	32.76	33.56