



Legislation Text

File #: 2019-0293, **Version:** 1

DATE: September 16, 2019

SUBJECT:

SCHEDULE OF COMPENSATION

A) ORDINANCE ESTABLISHING A SCHEDULE OF COMPENSATION FOR ALL OFFICERS AND EMPLOYEES OF THE SAN DIEGO UNIFIED PORT DISTRICT

B) RESOLUTION AMENDING THE SAN DIEGO UNIFIED PORT DISTRICT DIRECTORY OF CLASSIFICATION SPECIFICATIONS FOR FISCAL YEAR (FY) 2019/2020

EXECUTIVE SUMMARY:

This agenda item requests the Board of Port Commissioners (Board) adopt an ordinance establishing a schedule of compensation for all officers and employees of the San Diego Unified Port District (District). In addition, this agenda item requests a resolution amending the Directory of Classification Specifications for Fiscal Year (FY) 2019/2020.

RECOMMENDATION:

A) Adopt Salary Ordinance XXXX

B) Adopt a resolution amending the San Diego Unified Port District Directory of Classification Specifications for Fiscal Year (FY) 2019/2020

FISCAL IMPACT:

This agenda item includes a potential adjustment to salary ranges for unrepresented employees. Six (6) recently hired employees are currently paid at the minimum of their salary ranges. If the adjustment to salary ranges are approved, salaries for these employees would need to be increased to the new minimum amounts of the updated ranges, which would result in a cost of \$7,800 for the remainder of the fiscal year. Funds for these potential expenses of \$7,800 are included in the approved FY 19/20 budget within the budgeted personnel expenses for Salaries & Wages.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A Port that the public understands and trusts.
- A Port with an innovative and motivated workforce.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

Salary Ordinance:

The San Diego Unified Port District Act (codified as *Harbors & Navigation Code*, App. I) requires that the salaries and wages of officers and employees of the District be set by the Board by ordinance (Section 73) and that the payment of salaries and wages be made at regular periods as set by the Board by ordinance (Section 77). These requirements are addressed via the Salary Ordinance, which establishes salary and benefits for employees each salary year. The salary year runs from October 1 through September 30.

Staff has incorporated changes into the new Ordinance to reflect the following:

- Provisions negotiated in the existing Memorandums of Understanding with the California Teamsters, Public, Professional & Medical Employees Union, Local 911;
- Provisions negotiated in the Tentative Agreement with the San Diego Harbor Police Officers' Association for a successor Memorandum of Understanding that if approved by the Board will be effective October 1, 2019, through September 30, 2022.
- Adjustments to the salary ranges for unrepresented employees;
- Updates to definitions of pensionable salary to ensure compliance with the Public Employees Pension Reform Act (PEPRA); and
- Minor administrative changes.

Salary Ranges

The last comprehensive compensation study of the District's unrepresented positions and salary range structure was approved by the Board and implemented in January 2017. At that time, the District's consultant recommended periodic adjustments to the salary ranges of 1% to 2% per year. The intent of such an adjustment is to maintain salary structure levels with changes to cost of living and wages over time. The Consumer Price Index (CPI) in the San Diego region has increased by 5.89% since the first half of 2017, and the Employment Cost Index (ECI) from the Bureau of Labor Statistics has increased 4.73% since the first half of 2017. (Where CPI is a measure of inflation on the costs of goods to consumers, the ECI tracks changes in the overall cost of labor to employers.)

As this Salary Ordinance would be in place in January 2020, three years from the implementation of the compensation study, staff recommends an increase of three percent (3%) to the salary ranges for unrepresented employees. Changes to the range structure do not inherently increase salaries. The salary ranges only define the limits of what salary is authorized by the Board for a particular position. Actual salaries are still determined separately based on the Personnel Rules and Regulations, or direction of the President/CEO, within the defined salary ranges set forth in the Salary Ordinance.

Currently, forty-five (45) employees in the range system are paid at the maximum limit of their salary ranges. An additional twenty-four (24) employees are within three percent (3%) of the top of their ranges and would reach or exceed the range limit if such a pay increase was given. Six (6) employees are at the minimum of their ranges and could be impacted by an adjustment to the ranges. If the adjustment to salary ranges are approved, salaries for these employees would need to be increased to the new minimum amounts of the updated ranges, which would result in a cost of \$7,800 for the remainder of the fiscal year. Funds for these potential expenses of \$7,800 are included in the approved FY 19/20 budget within the budgeted personnel expenses for Salaries & Wages.

Directory of Classification Specifications:

The Directory of Classification Specifications (Directory) contains a list of all the job descriptions in the District. The Directory for FY 19/20 was adopted by the Board at its June 18, 2019, meeting. Subsequently, additional updates have been identified.

The following new classification is added to the Directory:

Class Title	Class Number	Unclassified/ Classified	FLSA Exempt/ Non-Exempt	Range
Chief Communications Advisor	B943-UE19	Unclassified	Exempt	116

The following existing classifications are amended in job title, duties and/or pay:

Class Title	Class Number	Unclassified/ Classified	FLSA Exempt/ Non-Exempt	Range
Harbor Police Corporal	E505-CNR19	Classified	Non-Exempt	91.0
Human Resources Recruiter	B926-UE19	Unclassified	Exempt	109
Student Worker	G998-UN16	Unclassified	Non-Exempt	58.6
Vice President, Planning, Environment, and Government Relations	A2071-UE19	Unclassified	Exempt	118

The Directory is attached to the Salary Ordinance as an exhibit, and is included in Attachment A.

A copy of the revised Classification Specifications reflecting the proposed changes is attached (Attachment B).

Board action is required to adopt a Salary Ordinance and to modify existing classifications. Staff recommends the Board adopt an Ordinance establishing a schedule of compensation for all officers and employees of the District and adopt a Resolution amending the San Diego Unified Port District Directory of Classification Specifications for FY 19/20.

General Counsel's Comments:

The Office of the General Counsel has reviewed the agenda sheets and attachments as presented to it and approves same for form and legality.

Environmental Review:

The proposed Board direction or action, including without limitation, adoption of an ordinance establishing a schedule of compensation for all officers and employees of the District and a resolution amending the District directory of classification specifications for FY 2019/2020, does not constitute a “project” under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it will not have a potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

In addition, the proposed Board action complies with Section 35 of the Port Act, which allows the Board to do all acts necessary and convenient for the exercise of its powers. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

Finally, the proposed Board direction or action does not allow for “development,” as defined in Section 30106 of the California Coastal Act, or “new development,” pursuant to Section 1.a. of the District’s Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

Equal Opportunity Program:

Not applicable.

PREPARED BY:

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Attachment(s):

Attachment A: Salary Ordinance XXXX, 2019-2020, and Directory of Classification Specifications, 2019-2020
Attachment B: Updated Classification Specifications