

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: December 6, 2016

FROM: Ray E. Corpuz, Jr., City Manager

BY: Marina Horta-Gallegos, Human Resources Officer

SUBJECT: **Compensation Plan Agreements for Department Directors and Confidential Management Personnel**

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolutions authorizing the City Manager to sign the Compensation Plan Agreements for Department Directors and Confidential Management Personnel.

DISCUSSION:

The Compensation Plans for Department Directors and Confidential Management will expire on December 31, 2016. With that in mind, the City Manager and Department Directors have discussed a new agreement, and the City's negotiator has completed negotiations for a new agreement between the City and Confidential Management employees.

Both Department Directors and Confidential Management Personnel have reached an agreement for a three-year term, set to begin January 1, 2017 until December 31, 2019. The agreements reflect two and one half (2.5%) percent salary adjustments in years one, two and three effective beginning the pay periods inclusive of January 1, 2017, January 1, 2018 and January 1, 2019, respectively.

Additionally, beginning January 2018, the Department Directors and members from Confidential Management will contribute toward the cost of their monthly health care benefit premiums equal to 5% of the PERS Choice plan premium, with 95% paid by the City. Other negotiated concessions reflected in the Confidential Management Compensation Plan include the removal of the biennial physical exam program and the addition of a less costly, second tier bilingual pay program of \$75 per pay period for new employees. Confidential Management Personnel will also receive a one-time, \$1,000 salary adjustment in January 2017.

ISSUE:

Shall the City Council adopt the attached resolutions authorizing the City Manager to sign the Compensation Plan Agreements for Department Directors and Confidential Management?

FISCAL IMPACT:

The Compensation Plan Agreement changes would result in an annual net increase of approximately 2.5% for the Directors and Confidential unit members, which amounts to \$36,200, \$73,700 and \$112,600 for Directors and \$59,100, 86,200, and \$135,200 for Confidential Management for each of the three calendar contract years, respectively. The initial amount is included in the 2016-17 fiscal year budget.

CONCLUSION AND RECOMMENDATION:

It is recommended that the City Council adopt the attached resolutions authorizing the City Manager to sign the Compensation Plan Agreements for Department Directors and Confidential Management.

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RESOLUTION NO. _____ (N.C.S.)

**A RESOLUTION OF THE SALINAS CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXECUTE THE COMPENSATION PLAN
FOR DEPARTMENT DIRECTORS**

WHEREAS, the City Manager has completed negotiations with Department Directors relating to changes in their Compensation Plan; and

WHEREAS, the City Council desires to make changes to the Compensation Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF SALINAS that the City Manager is hereby authorized and directed, for and on behalf of the City of Salinas, to execute the Compensation Plan for the Department Directors.

PASSED AND ADOPTED this 6th day of December 2016, by the following vote:

AYES:

NOES:

ABSENT:

Joe Gunter, Mayor

Attest:

Patricia Barajas, City Clerk

RESOLUTION NO. _____ (N.C.S.)

**A RESOLUTION OF THE SALINAS CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXECUTE THE COMPENSATION PLAN
FOR CONFIDENTIAL MANAGEMENT PERSONNEL**

WHEREAS, the City's Negotiator has completed negotiations with Confidential Management Personnel relating to changes in their Compensation Plan; and

WHEREAS, the City Council desires to make changes to the Compensation Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF SALINAS that the City Manager is hereby authorized and directed, for and on behalf of the City of Salinas, to execute the Compensation Plan for Confidential Management Personnel.

PASSED AND ADOPTED this 6th day of December 2016, by the following vote:

AYES:

NOES:

ABSENT:

Joe Gunter, Mayor

Attest:

Patricia Barajas, City Clerk