



## City Council Agenda Item

**City Council Meeting Date:** January 18, 2022

**TO:** Honorable Mayor and City Council Members

**FROM:** Dean Albro, City Manager  
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**SUBJECT:** Adoption of Resolution No. 6471(22) Restructuring the Human Resources Division of the City Administration Department to a New Separate Human Resources Department, Creating the Position of Assistant City Manager, Amending the City's Classification and Compensation Plans for Management, Supervisory, and Confidential Employees to Include an Assistant City Manager Job Classification and Salary Ranges and to Delete the Deputy City Manager Job Classification and Salary Ranges; Request for Position Allocation Change in the City Administration Department Budget

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### **Recommendation:**

Staff recommends the City Council:

- 1) Adopt Resolution No. 6471(22) (attached), which will:
  - a. Restructure the Human Resources Division from under the Administration Department to a new separate Human Resources Department;
  - b. Approve and adopt the proposed Assistant City Manager job classification;
  - c. Amend the Classification Plan to:
    - i. Add the Assistant City Manager job classification; and
    - ii. Eliminate the Deputy City Manager job classification;
  - d. Amend the Compensation Plan for Management, Supervisory, and Confidential (MS&C) Employees to include the salary ranges for the Assistant City Manager position; and
  - e. Approve and adopt the reorganization, reallocation, and adjustment of funding allocations for the City Administration Department for the remainder of Biennial Budget Fiscal Year (FY) 2021-23; or
- 2) Provide an alternate direction.

**Background:**

The Human Resources Division was reorganized placed under the City Administration Department in 2010 as a cost savings measure by the elimination of a department, and a department head position. At the December 7, 2021, City Council meeting, the City Council, following a request by Council Member Vega, requested a future agenda item for the City Council to consider creating an Assistant City Manager position to include the duties of a Human Resources Manager related to labor negotiations, workers' compensation administration, risk management, employee safety, and employee-employer relations; and outline the estimated fiscal impact of that new position.

**Discussion:**

In order to return to a traditional structure in a cost-effective manner, the City Manager recommends moving the Human Resources Division from under the City Administration Department to a new separate department, to create an Assistant City Manager position who, in addition to other duties, will oversee the Human Resources Department, and to eliminate the unused Deputy City Manager classification, which will provide funding for the new position.

**Human Resources as a New Separate Department**

Originally, the goal for cost savings for the Human Resources Division was to use outside attorney consulting services to resolve labor disputes. However, over time, that morphed into a hybrid system, with current Human Resources staff resolving the majority of grievances and labor negotiations, while using consulting services only when necessary. This has resulted in a large cost savings by utilizing existing staff and has increased morale as issues are resolved quickly and efficiently.

Reorganizing the Human Resources Division back to a separate department would return the City to a traditional structure with the Human Resources Department operating as any other full-fledged department within the City, rather than as a division of the Administration Department. This will allow autonomy within the department, as well as needed separation in the event of any conflict of interest with Administration. The Department would continue with current staffing and to utilize the hybrid system described above with the legal consultant.

While the City Manager oversees all Department Heads within the City, the new Assistant City Manager would specifically oversee the Human Resources Department and act as its Department Head. Since Human Resources has become much more in the current age than just "hire and fire" and involves very complex employer-employee relations, it is important that a qualified individual oversees the Department. Utilizing the Assistant City Manager to perform that duty would ease the burden such oversight could impose upon the City Manager while still allowing continuity between Human Resources and City Administration.

### Assistant City Manager Position

It should be noted that the City Manager-Assistant City Manager structure is used throughout the Tri-Counties. In addition to the benefits provided to the new Human Resources Department, the City Manager-Assistant City Manager structure will provide high productivity and increased project efficiencies. The City has recently started a new Capital Improvement Program (CIP) which should give a number of future opportunities to increase services and provide better infrastructure throughout the City. The City anticipates the CIP funding will continue for a few years. The addition of an Assistant City Manager will provide leadership to implement and develop the CIP program.

The Assistant City Manager job class would be classified as an at-will, department-head-level position that would act as the primary operational assistant to the City Manager. The job duties are defined as: plan, direct, supervise and coordinate assigned operational functions and special projects; coordinate, monitor, and provide professional assistance to City departments on a variety of programs and projects; ensure required regulatory compliance of personnel policies and procedures, serves as Acting City Manager in their absence and to assist the City Council; manage the City Administration and Human Resources Departments. The proposed salary range is \$10,719 – \$14,583 per month.

Additionally, Personnel Rule III, Classification, Section 2, *Adoption, Amendment and Revision of Plan* and Personnel Rule IV, Compensation, Section 2, *Adoption of Plan*, provide the classification and compensation plans must be amended by action of the City Council. Staff recommends the Classification and Compensation Plans be amended to include the Assistant City Manager job class and salary range.

### **Fiscal Impact:**

Staff has reviewed salary ranges for comparable agencies with assistant city managerial and director-level positions. The proposed salary range was primarily based on internal salary relationships within job families, among related job families, and recommended classification differentials. The proposed salary range would be effective the beginning of the payroll period after adoption of Resolution No. 6471(22).

The Biennial Budget FYs 2021-23 contains appropriations for a Deputy City Manager. Staff recommends eliminating that position and establishing funding for the Assistant City Manager position. The attached salary schedules (Exhibit 2) report the salary range of the proposed Assistant City Manager position in comparison to the appropriations established for a Deputy City Manager. The increased salary proposed for the Assistant City Manager is \$2,200 - \$3,148/pay period, which will be derived from salary savings from the Deputy City Manager position being vacant for FY 2021-22. This salary savings will sufficiently fund the Assistant City Manager position without any additional appropriations. The Deputy City Manager position has been vacant since the August 21, 2018.

**Conclusion:**

Adoption of Resolution No. 6471(22), will formally reorganize the Human Resources Division as a new separate department, and establish the Assistant City Manager position in the City's Classification and Compensation Plans.

Respectfully submitted,

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Dean Albro, City Manager

Attachment: Resolution No. 6471(22)