

Lompoc City Council Agenda Item



City Council Meeting Date: January 19, 2016

TO: Patrick Wiemiller, City Manager
p_wiemiller@ci.lompoc.ca.us

FROM: Gabriel Garcia, Human Resources Manager
g_garcia@ci.lompoc.ca.us

SUBJECT: Reallocation of Position Allocations in the Economic & Community Development, Management Services, and Public Works Departments; Amendments to the City's Compensation and Classification Plans to Include the Treasury/Utility Billing Supervisor and Principal Civil Engineer Job Classifications and Salary Ranges; Adoption of Resolution No. 6020(16)

Recommendation:

Staff recommends the City Council:

- 1) Adopt Resolution No. 6020(16) (Attachment 1), which will:
 - a. Approve the new classifications and salary ranges for Principal Civil Engineer and Treasury/Utility Billing Supervisor, and amend and include them in the City's general Classification Plan and the City's Compensation Plan for Management, Supervisory, and Confidential Employees;
 - b. Approve the revised salary range for the 12-kV Lead Electrical Line Worker job class, amend and include them in the City's general Compensation Plan;
 - c. Approve the reallocation of position and funding allocations within the Economic & Community Development Department's budget;
 - d. Approve the reallocation of position and funding within the Public Works Department's budget; and
 - e. Approve the reorganization and reallocation of positions and funding within the Management Services Department's budget.

Background/Discussion/Fiscal Impact:

Public Works Department/Engineering Division

The Public Works Department's Engineering Division (Engineering) recently lost a Civil Engineering Associate III. The departure leaves Engineering with one Civil Engineering Associate III and one Senior Civil Engineer. It is necessary for Engineering to be in a position to assist other City divisions with ongoing projects. Projects anticipated over the Fiscal Year (FY) 2015-17 Budget include housing subdivisions for which the City will be reimbursed for services provided during the approval process and construction. In addition, Engineering has a backlog of 18 to 24 months worth of projects including street improvements, General Fund projects, and transit construction projects.

During the FY 2015-17 Budget process, Engineering proposed, and funding was approved for, the addition of a Principal Civil Engineer position and the reallocation of one Civil Engineering Associate III position to a Senior Civil Engineer to better respond to the ongoing backlog and projected new projects. During the budget process, it was projected the City will receive project revenues, internal and external, to support at least 75% of the work load of the new positions while addressing approved projects in a more timely manner. Conceptually, the changes were approved as part of the FY 2015-17 Budget for their monetary effect. However, formal approval and adoption of the proposed Principal Civil Engineer job description and salary range, and its inclusion in the Classification and Compensation Plans are necessary to complete the action.

The recommended changes will have no fiscal impact to the FY 2015-17 Budget as the fiscal changes are already incorporated into the approved budget. Operationally, the Public Works Department will realize efficiency improvements as it will be able to capture more of the existing project work within the current FY 2015-17 Budget once the proposed and vacant positions are filled.

Management Services Department

Since the beginning of the FY 2015-17 Budget, the Management Services Department has experienced several retirements or separations from key operational positions. A number of additional retirements are expected to take place over the remainder of the FY 2015-17 Budget and continuing through the next budget cycle and beyond. This is a good opportunity to make organizational adjustments to accommodate the proposed upcoming conversion of the City's financial software systems.

A number of years ago the Management Services Department's Treasury and Utility Divisions were reorganized. At that time, the City Treasurer position was consolidated with the Management Services Director/Finance Director classification and a Treasury Staff Supervisor position was created. The reorganization continued the budgetary division of the Treasury and Utility Billing Divisions due to the significantly different

services provided. That separation continues today with separate staff under two separate supervisors.

The Treasury Staff Supervisor position was assigned the daily routine supervision responsibilities over the Treasury Division's treasury section with the management responsibilities falling under the Accounting and Revenue Manager.

Supervisory responsibilities and direction of daily activities of the Utility Billing Division continued under the Utility Billing Supervisor with the management responsibilities assigned to the Financial Services Manager. (See Attachment 2 for organizational charts.)

Recommendations:

1. Treasury/Utility Billing:

Staff recommends unifying the Treasury and Utility Billing Divisions with supervisory responsibility consolidated under a single Supervisor. Management responsibilities will continue to be subdivided based on the functions performed – Treasury's operational management will continue under the Accounting and Revenue Manager, while Utility Billing's operational management will continue under the Financial Services Manager. However, the primary function of staffing management will be consolidated under the Accounting and Revenue Manager. The recommended unification would eliminate 1.0 FTE for the Treasury Staff Supervisor in Program 10500 (Treasury) and reallocate the 1.0 FTE Utility Billing Supervisor to 0.5 FTE in Program 10500 (Treasury) and 0.5 FTE in Program 10550 (Utility Billing). The recommendation includes adopting a new job classification, job description and updating the Classification and Compensation Plans to provide for the new Treasury/Utility Billing Supervisor classification and salary range.

The unified Treasury/Utility Billing Division will continue to have three primary areas of responsibility; treasury services, billing services and collection services. Staff recommends each of the three areas be segregated under the single Treasury/Utility Billing Supervisor with the assignment of a Senior Treasury Clerk to each area. The Treasury Clerk and Intermediate Treasury Clerk positions would be trained and available to any of the three areas based on customer service requirements, workload, and staffing availability. While the Division currently has a single Senior Treasury Clerk, the recommendation is to reallocate the vacant Treasury Staff Supervisor and the vacant Collections Coordinator positions as Senior Treasury Clerk positions. The recommendation would eliminate a 1.0 FTE vacant Collections Account Coordinator in Program 10550 (Utility Billing) and add 2.0 FTE Senior Account Clerks to Program 10550 (Utility Billing).

For cost allocation and budgeting purposes, the Treasury function and the Utility Billing/Collection functions will continue to be segregated (Program 10500 – Treasury

and 10550 – Utility Billing) but for operational purposes, all Treasury staff will be trained in all three functional areas.

There are 6.0 FTE positions at either the Treasury or Intermediate Treasury level and the recommendation is to continue to have 6.0 FTE positions combined between Programs 10500 (Treasury) and 10550 (Utility Billing). Daily and periodic assignments will be made by the Treasury/Utility Billing Supervisor based on customer service needs, workload and staffing availability. Senior Treasury Clerk and Treasury Clerk/Intermediate Treasury Clerk assignments can also be made within the three functional areas. The exposure to a wide range of activities will enable the incumbents to be well prepared for career advancement within the organization.

To further expose Senior Treasury Clerk to a variety of work assignments, the Department recommends the reallocation of the existing Treasury Clerk/Intermediate Treasury Clerk assignment in Finance (split between Programs 10610 (Finance) and 10615 (Utility Accounting) to an Intermediate Treasury Clerk/Senior Treasury Clerk allocation. This position provides services related to Treasury for Business License activities, operational support to both the Utility Billing and Treasury functions as well as backup support in the accounts payable, accounts receivable, and payroll areas of Finance. The addition of three Senior Treasury Clerks will allow all four Senior Treasury Clerks with significant opportunities for advancement within the Department.

Reallocation of duties assigned to the Department's only Office Staff Assistant (OSA) will provide the Department an opportunity to broaden operational assignments of the OSA to better support the Department across all Divisions located in City Hall. Staff recommends the reallocation of the OSA from a 1.0 FTE in Program 10500 (Treasury) to a combination of programs as follows:

- Program 10500 – 20% (Treasury)
- Program 10550 – 30% (Utility Billing)
- Program 10610 – 20% (Finance)
- Program 10615 – 20% (Utility Accounting)
- Program 74620 – 10% (Information Technologies)

The incumbent will continue in her current location but will be available to provide services to the five divisions of the Department located in City Hall.

2. Purchasing Division:

The Purchasing Division currently has allocations of 1.0 FTE Buyer and 1.5 FTE Buyer/Purchasing Assistant while the FY 2015-17 Budget provides appropriations for 2.0 FTE Buyer and 0.5 Purchasing Assistant positions. The recommendation is to affirm the change to the budgeted allocations as adopted.

Summary:

The cumulative effect of the recommended changes to the Management Services Department will retain the existing approved complement of 40.25 FTEs for Departmental staffing but will reallocate the FTEs in total as follows:

- Treasury will have a net reduction of 0.8 FTE
 - 1.0 Treasury Staff Supervisor eliminated
 - 0.8 OSA III allocation reduction from 1.0 FTE to 0.2 FTE
 - 0.5 Treasury/Utility Billing Supervisor added
 - 0.5 Treasury Clerk/Intermediate Treasury Clerk added
- Utility Billing will have a net increase of 0.3 FTE
 - 1.0 Utility Billing Supervisor eliminated
 - 1.0 Collection Account Coordinator eliminated
 - 0.5 Treasury Clerk/Intermediate Treasury Clerk eliminated
 - 0.5 Treasury/Utility Billing Supervisor added
 - 2.0 Senior Treasury Clerk positions added
 - 0.3 OSA III allocation added
- Finance will have a net increase of 0.2 FTE
 - 0.2 OSA III allocation added
 - 0.5 Treasury/Intermediate Treasury Clerk eliminated
 - 0.5 Senior Treasury Clerk added
- Utility Accounting will have a net increase of 0.2 FTE
 - 0.2 OSA III allocation added
 - 0.5 Treasury/Intermediate Treasury Clerk eliminated
 - 0.5 Senior Treasury Clerk added
- Information Technology will have a net increase of 0.1 FTE
 - 0.1 OSA III allocation added
- Purchasing will have no net change in FTE allocations
 - 1.5 Buyer/Purchasing Assistant reduced to 0.5
 - 1.0 Buyer position added to existing 1.0 FTE

The recommended changes for the Management Services Department will have a small positive impact to the current FY 2015-17 Budget with an estimated savings of approximately \$8,766. However, the long-term benefits of having qualified and experienced candidates for positions within the organization that will become vacant from retirements or other reasons in the next two to seven years will have enormous benefits to the organization as a whole. The proposed conversion from the City's historical financial management system to an up-to-date system designed for governmental entities of the City's size and breadth of services will be best served by experienced staff to benefit the organization and customers alike.

The reallocation of the Management Services Department's OSA among the Department's five Divisions will have the following effect:

- Treasury (Program 10500) will realize total budgetary savings of \$57,197 primarily due to the reallocation of the OSA III position among the remaining Divisions of \$76,157;
- Utility Billing (Program 10550) will have a total decrease of \$5,963 in budgeted appropriations primarily due to an increase of \$28,559 due to the reallocation of the OSA III position with an offsetting decrease of \$49,491 due to the new allocation of the Treasury/Utility Billing Supervisor;
- Finance (Program 10610) will have a total increase of \$22,437 in budgeted appropriations with \$19,040 due to the reallocation of the OSA III position;
- Utility Accounting (Program 10615) will have a total increase of \$22,437 in budgeted appropriations with \$19,040 due to the reallocation of the OSA III position;
- Information Technology (Program 74620) will have a total increase of \$9,517 in budgeted appropriations entirely due to the reallocation of the OSA III position.

Any future operational efficiency gained from the recommended staffing allocation changes and the proposed conversion of the City's financial management system will likely be incorporated into future City budgets beginning with the FY 2017-19 Budget.

Economic & Community Development Department

The Development Programs Specialist classifications were approved as a new series in the FY 2015-17 Budget and are versatile classifications intended to work across programs within the Economic & Community Development Department. During the FY 2015–17 Budget process, the Economic & Community Development Department requested a position to support the City's State-mandated Stormwater Program. While the program was funded as part of the FY 2015-17 Budget, the position to implement the program was not approved.

Implementation of the State-mandated Stormwater Program is required by federal and state law. Therefore, compliance is essential and State-mandated requirements continue to increase. The City is at risk of receiving substantial fines and penalties for noncompliance. Moreover, the federal Clean Water Act has a citizen suit provision which is used by non-governmental organizations to ensure compliance with the Clean Water Act.

In addition to implementing Stormwater Program requirements, there is a significant need for assistance with project-related activity delivery for economic and community development, including CDBG capital project management and inspections, and administration of other grant-funded projects. However, due to the numerous competing demands for General Funds, an additional position allocation was not funded in the FY 2015–17 Budget; yet, a need for additional working journey-level staffing to implement program and project-related activity delivery remains.

The Economic & Community Development Department has identified funding for a Development Programs Specialist II journey-level position allocation (monthly salary range \$4,573 – \$5,558) that does not impact the General Fund.

Funding for the position allocation of \$155,362 for the remainder of the FY 2015-17 Budget would come from the following resources:

- \$51,553 from Municipal Stormwater Program Services Fee revenue with \$25,092 available for FY 2015-16 and \$26,461 available for FY 2016-17,
- \$66,000 reallocated from currently budgeted (FY 2015-17) professional services in the Municipal Stormwater Program from accounts 13050-53852– \$40,000; 13050-53853 –\$10,000; and 13050-53832 –\$16,000) proposed as budget adjustments to 13050-51110 –\$56,606; and 13050-51230 –\$9,394, and
- \$37,810 in CDBG project-related activity delivery costs for FY 2016–17 from the CDBG entitlement program 44000 with the specific project program identified with the regular CDBG budget process for FY 2016-17.

Utilities Department/Electric Division

On September 15, 2015, Resolution No. 6007(15) was adopted and includes the revised salary ranges for the 12-kV Lead Electrical Line Worker classification in the City's Compensation Plan. At that time, a new job class and salary range for a 12-kV Electrical Troubleshooter job class was established as well. As part of the negotiation process with the IBEW Union, the revised salary range for the 12-kV Lead Electrical Line Worker classification was to be created at a 5% differential above the newly-approved and established 12-kV Electrical Troubleshooter salary range. The salary range approved for the 12-kV Lead Electrical Line Worker classification was \$6,529 – \$7,936 per month.

In review of the salary range for the 12-kV Lead Electrical Line Worker job class, a mathematical error was noticed. Based on the error, the 5% differential between the 12-kV Electrical Troubleshooter and 12-kV Lead Electrical Line Worker was not created; negating the intent of the agreement between the International Brotherhood of Electrical Workers (IBEW) union and the City.

The proposed monthly differential for the 2.0 FTE allocations of 12-kV Lead Electrical Line Worker is approximately \$40-\$50 per month for salary and benefits or approximately \$1,000 for the remainder of the FY 2015-17 Budget. The approved FY 2015-17 Budget appropriations for the Electric Division does not require a supplemental appropriation for this correction.

Conclusion:

In order to incorporate the above-mentioned job classifications and the new and revised salary ranges into the City Classification and Compensation Plans, Personnel Rules III and IV provide that they must be adopted by Council. Adoption of Resolution No. 6020(16), effects the inclusion of the previously identified new job classifications into the City's Classification Plan and the new and revised salary ranges into the City's Compensation Plan.

Respectfully submitted:

Gabriel Garcia, Human Resources Manager

Kevin McCune, Public Works Director

Brad Wilkie, Management Services Director/Finance Director and City Treasurer

Teresa Gallavan, Economic Development Director/Assistant City Manager

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Patrick Wiemiller, City Manager

Attachments: 1) [Resolution No. 6020\(16\)](#)
2) [Organizational Charts – Management Services Department](#)