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OAKLAND

2014 JUN -5 PM 5

AGENDA REPORT

TO: FRED BLACKWELL
INTERIM CITY ADMINISTRATOR

FROM: Anil Comelo
HRM Director 

SUBJECT: Amendment to Ordinance No. 12187 C.M.S. **DATE:** June 2, 2014

City Administrator
Approval



Date

6/5/14

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Pursuant to section 1182.12 of the California Labor Code, staff recommends that Council adopt an ordinance amending the Salary Schedule of Ordinance No. 12187 C.M.S. ("the Salary Ordinance") to adjust the salary rates for all classifications for which the lowest step would be below the California minimum wage of nine dollars (\$9.00) per hour, effective July 1, 2014. Additionally, the proposed ordinance would authorize, without return to Council, a similar amendment to the Salary Schedule any time a change in the legally mandated minimum wage is raised and there are pay rates that require adjustment to be compliant with the new law or laws. Furthermore, several classifications that have long been obsolete and have salary rates below the mandated minimum rate are recommended to be deleted from the Salary Schedule.

OUTCOME

The proposed amendment to the Salary Ordinance is required to bring all of the City's salary rates into compliance with California state law and would authorize future amendments required for legal compliance with minimum wage laws without returning to Council.

BACKGROUND/LEGISLATIVE HISTORY

The Salary Ordinance (Ordinance No. 12187 C.M.S.) establishes salaries and other terms and conditions of City employment including the classification titles of positions. It is amended from time to time to accommodate the City's evolving classification and compensation needs.

ANALYSIS

In September 2013, the California State Legislature took action raising the minimum wage in the state to nine dollars (\$9.00) per hour effective July 1, 2014. The same legislation again raises the minimum wage, effective July 1, 2016, to ten dollars (\$10.00) per hour. The City of Oakland's pay structure for all of its positions must be in compliance with the new rates.

Staff in the Human Resources Management Department (HRM) conducted an analysis of related classifications to determine whether raising the rates for the impacted classifications would result in creating compaction with the other related classifications. The only classification for which

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such analysis was required was the classification of Recreation Aide, and HRM determined that there was a sufficient difference between the Recreation Aide classification at the new rate and the closest classification of Recreation Leader I to avoid compaction.

There are several other classifications associated with low pay rates that are no longer in use and are therefore recommended to be deleted from the Salary Schedule. The classifications to be deleted include:

Class No.	Title	Step 1
TR107	Camp Clerk, PT	8.54
TR108	Camp Cook, PT	8.96
PP102	Camp Counselor, Junior, PT	8.54
PP103	Camp Counselor, PT	8.54
PP106	Camp Head Counselor, PT	8.70
SS107	Camp Helper, PT	8.54
SS108	Camp Receptionist, PT	8.54
PP107	Camp Recreation Leader, PT	8.83
SS130	Junior Trainee, PT	8.54
SS191	Temp Recreation Aide, PT	8.54

There are no incumbents in any of the classifications listed in the table above and the classifications have largely not been in use for more than ten years.

PUBLIC OUTREACH

No specific public outreach was required. The proposal to amend the Salary Ordinance to make it compliant with state law was posted publicly in conformance with the Sunshine Ordinance and Brown Act prior to the City Council's review of the item.

COORDINATION

The Human Resources Management Department coordinated the preparation of this report with staff from the Treasury Bureau of the Finance Department, the City Administrator's Budget Office, and the Office of the City Attorney.

COST SUMMARY/IMPLICATIONS

Two City departments are directly impacted by the change to the base rate for certain classifications. The Human Services Department (HSD), through a federal grant, provides employment opportunities to Oakland seniors. Funding for the Senior Aides program is determined by the federal government and staff have confirmed that additional funding will not be allocated to account for the change in the California minimum wage. The impact of the minimum rate change, then, is that fewer individual seniors can be hired into positions funded by the program.

The Oakland Parks & Recreation Department (OPR) employs many Recreation Aides, particularly during the summer months. If OPR were to continue to employ the same number of people in those roles, the increase to the budgeted cost of those positions is estimated to be approximately \$24,500 per year, \$18,155 in fund 1820 (OPR Self-Sustaining Programs Fund), and \$6,345 in fund 1010 (General Purpose Fund). The proposed legislation does not include a recommendation for increased funding for Recreation Aide positions. Without additional funding, OPR will have to employ fewer Recreation Aides or schedule them for fewer hours.

SUSTAINABLE OPPORTUNITIES

Economic – not applicable.

Environmental – not applicable.

Social Equity – not applicable.

For questions regarding this report, please contact Kip Walsh, Human Resources Manager for Recruitment & Classification, at (510) 238-7334.

Respectfully submitted,



Anil Comelo, Director
Human Resources Management

Prepared by:
Kip Walsh, HR Manager for Recruitment & Classification

Attachment (1)

Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Adjust The Salary Rates For All Classifications For Which The Lowest Step Would Be Below The California Minimum Wage Of Nine Dollars (\$9.00) Per Hour, Effective July 1, 2014; And Deleting Obsolete Classifications From The Salary Scheduled That Have Starting Rates Lower Than The Required Minimum Wage; And Authorizing, Without Return To Council, A Similar Amendment To The Salary Schedule Any Time A Change In The Legally Mandated Minimum Wage Is Raised And There Are Pay Rates For City Of Oakland Classifications That Require Adjustment To Be Compliant With The New Law Or Laws

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INTRODUCED BY COUNCILMEMBER _____

FILED
OFFICE OF THE CITY CLERK
OAKLAND

DRAFT

CITY ATTORNEY

2014 JUN -5 PM 5:00

OAKLAND CITY COUNCIL

ORDINANCE No. _____ C.M.S.

ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO ADJUST THE SALARY RATES FOR ALL CLASSIFICATIONS FOR WHICH THE LOWEST STEP WOULD BE BELOW THE CALIFORNIA MINIMUM WAGE OF NINE DOLLARS (\$9.00) PER HOUR, EFFECTIVE JULY 1, 2014; AND DELETING OBSOLETE CLASSIFICATIONS FROM THE SALARY SCHEDULED THAT HAVE STARTING RATES LOWER THAN THE REQUIRED MINIMUM WAGE; AND AUTHORIZING, WITHOUT RETURN TO COUNCIL, A SIMILAR AMENDMENT TO THE SALARY SCHEDULE ANY TIME A CHANGE IN THE LEGALLY MANDATED MINIMUM WAGE IS RAISED AND THERE ARE PAY RATES FOR CITY OF OAKLAND CLASSIFICATIONS THAT REQUIRE ADJUSTMENT TO BE COMPLIANT WITH THE NEW LAW OR LAWS

WHEREAS, pursuant to section 1182.12 of the California Labor Code, the Minimum Wage in California is raised to nine dollars per hour effective July 1, 2014; and

WHEREAS, there are salary rates in the City of Oakland Salary Schedule with starting rates below nine dollars per hour; and

WHEREAS, the Charter of the City of Oakland requires that the Council shall fix the compensation of all City employees, officers and officials; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 12187 C.M.S. "The Salary Ordinance" is hereby amended as set forth below. Additions are indicated by underscoring and deletions are indicated by ~~strike-through type~~; portions of ordinances not cited or not shown in underscoring or strike-through type are not changed.

Section 2. Effective upon passage, the following classification is revised in Ordinance No. 12187 C.M.S. in the Unit SI1.80.001 Pay Grade Table to read as follows:

Classification Title	Class No.	Pay Steps	
Recreation Aide, PT	SS177	Step 1	8.54 <u>9.00</u>
		Step 2	8.96 <u>9.45</u>
		Step 3	9.42 <u>9.92</u>
		Step 4	9.90 <u>10.42</u>
		Step 5	10.41 <u>10.94</u>

Section 3. Effective upon passage, the following classification is revised in Ordinance No. 12187 C.M.S. in the Unit UJ1.75.001 Pay Grade Table to read as follows:

Classification Title	Class No.	Pay Range		
Senior Aide, PT	PP142	Min	8.00	<u>9.00</u>
		Max	12.16	<u>12.16</u>

Section 4. Effective upon passage, the following classification is revised in Ordinance No. 12187 C.M.S. in the Unit UG1.80.004 Pay Grade Table to read as follows:

Classification Title	Class No.	Pay Range		
Student Trainee, PT	SS195	Min	8.54	<u>9.00</u>
		Max	22.92	<u>22.92</u>

Section 5. Effective upon passage, the following classifications are deleted from Ordinance No. 12187 C.M.S. in the Unit UG1.80.001 Pay Grade Table:

Classification Title	Class No.	Pay Steps	
Camp Counselor, Junior, PT	PP102	Step 1	8.54
Junior Trainee, PT	SS130		

Section 6. Effective upon passage, the following classification is deleted in Ordinance No. 12187 C.M.S. in the Unit UG1.80.002 Pay Grade Table:

Classification Title	Class No.	Pay Steps	
Temp Recreation Aide, PT	SS191	Step 1	8.54
		Step 2	8.96
		Step 3	9.42
		Step 4	9.90
		Step 5	10.41

Section 7. Effective upon passage, the following classifications are deleted from Ordinance No. 12187 C.M.S. in the Unit UG1.80.003 Pay Grade Table:

Classification Title	Class No.	Pay Steps	
Camp Clerk, PT	TR107	Step 1	8.54
Camp Helper, PT	SS107	Step 2	8.98
Camp Receptionist, PT	SS108	Step 3	9.42
		Step 4	9.90
		Step 5	10.41

Section 7. Effective upon passage, the following classification is deleted from Ordinance No. 12187 C.M.S. in the Unit UG1.80.006 Pay Grade Table:

Classification Title	Class No.	Pay Steps	
Camp Counselor, PT	PP103	Step 1	8.54

Step 2	8.96
Step 3	9.42
Step 4	9.90
Step 5	10.41

Section 8. Effective upon passage, the following classification is deleted from Ordinance No. 12187 C.M.S. in the Unit UG1.80.007 Pay Grade Table:

Classification Title	Class No.	Pay Steps
Camp Head Counselor, PT	PP106	Step 1 8.70
		Step 2 9.55
		Step 3 10.41
		Step 4 11.28
		Step 5 12.15

Section 9. Effective upon passage, the following classification is deleted from Ordinance No. 12187 C.M.S. in the Unit UG1.80.008 Pay Grade Table:

Classification Title	Class No.	Pay Steps
Camp Recreation Leader, PT	PP107	Step 1 8.83
		Step 2 9.37
		Step 3 9.89
		Step 4 10.43
		Step 5 10.98

Section 10. Effective upon passage, the following classification is deleted from Ordinance No. 12187 C.M.S. in the Unit UG1.80.009 Pay Grade Table:

Classification Title	Class No.	Pay Steps
Camp Cook, PT	TR108	Step 1 8.96
		Step 2 9.28
		Step 3 9.66
		Step 4 10.00
		Step 5 10.32

Section 11. Future Minimum Wage Adjustments

If and when governing legislation is enacted to change the legally mandated minimum wage that affects Oakland, Council hereby authorizes the required amendment to the Salary Schedule to ensure the City of Oakland's compliance with the legal minimum wage.

Section 12. Severability

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause, or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

Section 13. Effective Date

This Ordinance shall become effective upon passage of its second reading.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2014

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: _____

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FILED
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OAKLAND

2014 JUN -5 PM 5:01

DIGEST

Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Adjust The Salary Rates For All Classifications For Which The Lowest Step Would Be Below The California Minimum Wage Of Nine Dollars (\$9.00) Per Hour, Effective July 1, 2014; And Deleting Obsolete Classifications From The Salary Scheduled That Have Starting Rates Lower Than The Required Minimum Wage; And Authorizing, Without Return To Council, A Similar Amendment To The Salary Schedule Any Time A Change In The Legally Mandated Minimum Wage Is Raised And There Are Pay Rates For City Of Oakland Classifications That Require Adjustment To Be Compliant With The New Law Or Laws
