



MEMORANDUM

TO: City Council

FROM: Nicole Valentine, Administrative Services Director

BY: Aleah Bergam, Acting Human Resources Officer

SUBJECT: Consideration of Adoption of a Resolution Amending the Citywide Combined Salary Schedule and Consideration of a Side Letter of Agreement to the Arroyo Grande Police Officers' Association Memorandum of Understanding

DATE: June 25, 2024

RECOMMENDATION:

1) Adopt a Resolution approving the updated Citywide Combined Salary Schedule; and
2) Adoption of a Resolution approving a side letter of agreement to the Arroyo Grande Police Officers' Association (AGPOA) Memorandum of Understanding (MOU).

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The recommended pay rate adjustments and benefit changes included in the FY 2024-25 budget result in increases totaling \$258,400 annually in the General Fund, \$29,200 annually in the Water Fund, \$12,700 annually in the Sewer Fund and \$19,500 annually in the Streets Fund. These adjustments are incorporated in the approved FY 2024-25 budget.

BACKGROUND:

The City of Arroyo Grande has both full-time and part-time employees. Most full-time employees are represented by a bargaining unit (union) or are unrepresented Management employees. Part-time employees are also unrepresented. Therefore, adjustments to Management and part-time pay rates do not occur as part of a formal negotiation process as they do for represented groups. In the current Memorandum of Understanding for each of the City's bargaining units, cost of living adjustments (COLA's) were agreed upon. The updated salary schedule includes those agreed upon COLAs. Staff recommends increasing part-time pay rates by the same percentage as full-time pay rates for FY 2023-24 in order to minimize compaction and keep salaries for part-time positions competitive.

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The City Council adopted the FY 2023-24 and 2024-25 Biennial Budget on [June 27, 2023](#). The FY 2024-25 budget incorporated a full-time Police Service Technician (PST) to allow the Police Department to expand the service to the community. The full-time PST position includes duties such as house checks, parking enforcement, courier, etc., and would enhance the service to the community by responding to nonemergent calls for service such as noninjury traffic collisions, property crime reports, vehicle tows, special events, drone operations, and phone reports. Staff anticipates that having this position will reduce the response time of Police Officers to emergency in-progress calls that often involve a threat to life. Additionally, the PST will also operate as a backup to the Property & Evidence Technician and assist investigative staff with crime scene investigation and processing (dusting for fingerprints, taking photos, logging evidence, etc.). The PST position has been incorporated in the Updated Citywide Salary Schedule.

On [September 12, 2023](#), the City Council approved Memorandums of Understanding with the Service Employees International Union (SEIU) that provide Salary Adjustments for FY 2023-24, FY 2024-25, and FY 2025-26; and Police Officers' Association (POA) that provide Salary Adjustments for FY 2023-24, FY 2024-25, FY 2025-26, and FY 2026-27. In addition, Council approved a Management Resolution that adjusted compensation for Management employees for FY 2023-24 and FY 2024-25 based on the results from the salary survey. The most current salary schedule was approved by the City Council on December 12, 2023.

On [October 16, 2023](#), the Five Cities Fire Authority (FCFA) Board approved salary adjustments for FCFA IAFF employees for FY 2023-24, FY 2024-25, FY 2025-26, and FY 2026-27. Pursuant to the terms of the Joint Exercise of Powers Agreement that created the FCFA, all FCFA employees are employees of the City of Arroyo Grande. As a result, the City's Salary Schedule must be amended to incorporate the salary adjustments approved by the FCFA Board.

ANALYSIS OF ISSUES:

The Government Code and California Code of Regulations require the City to maintain a single, duly approved and adopted pay schedule that identifies the positions for every employee classification. The proposed Resolution (Attachment 1) adopts a revised salary schedule incorporating 3% adjustments for FCFA, as well as 3.5% adjustments for AGPOA, SEIU, Management employees, and part-time unrepresented staff. Additionally, the new full-time Police Services Technician and part-time Recreation Specialist positions proposed FY 2024-25 Mid-Cycle Budget Update has been incorporated in the Updated Citywide Salary Schedule.

Salaries and benefit costs included in the proposed FY 2024-25 Mid-Cycle Budget Update reflect contractually obligated cost of living adjustments under the current bargaining

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group contracts. An Updated Citywide Salary Schedule is proposed for approval in Attachment 1, Exhibit B to implement these changes.

The City's Administrative Services Director and Acting Human Resources Manager met and conferred with the AGPOA, which represents the Police Services Technician classification. Those discussions resulted in agreement on the new job description and salary range for the new position. It is recommended that the new position be paid at the same salary range as the Records/Property and Evidence Clerk position. City staff and AGPOA have agreed that the current Memorandum of Understanding (MOU), which expires June 30, 2027, should be modified to reflect the following changes:

1. Adding the Police Services Technician classification to the list of positions represented by AGPOA with salary range 22.
2. Updating the non-sworn salary schedules at the back of the MOU with these changes, reflected in Exhibits D, F, and H.

The mechanism to affect an MOU before it is expired is a "side letter agreement" to the MOU, which is attached as Exhibit A to the accompanying Resolution (Attachment 2).

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Adopt the Resolution approving the updated Citywide Combined Salary Schedule and salary range for a full-time Police Services Technician and a part-time Recreation Specialist position; and Adopt the Resolution approving a side letter of agreement with the Arroyo Grande Police Officers' Association (AGPOA) Memorandum of Understanding (MOU);
2. Amend and adopt the proposed Resolutions;
3. Do not adopt the Resolutions; or
4. Provide other direction to staff.

ADVANTAGES:

Adopting the proposed Resolution will provide employee salaries and benefits that are compliant with current laws and provide for consistent and fair compensation. The recommendation will update the AGPOA MOU with the most current job classifications and salary ranges for all positions represented by the AGPOA.

DISADVANTAGES:

The recommendation will increase costs to current and future budgets. These adjustments are incorporated in the approved FY 2024-25 budget.

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ENVIRONMENTAL REVIEW:

Adopting the updated Citywide combined salary schedule resolution and side letter of agreement with the AGPOA MOU is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378.).

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. Proposed Resolution Establishing a Salary Range for Full-Time Police Technician and Part-time Recreation Specialist and approving the Updated Citywide Combined Salary Schedule
2. Proposed Resolution approving a side letter of agreement with the AGPOA MOU