



Date: November 8, 2022

Honorable Mayor and Council Members:

Author and title: Bonnie Thompson-Hardin, Human Resources Manager

Title: **Approval of a Side Letter with the Truckee General Employees Membership Association Providing a Base Wage Increase for Qualifying Street Maintenance/Equipment Operator II's.**

Approved By: _____ Jen Callaway, Town Manager

Recommended Action: That the Council approve the side letter with the Truckee General Employees Membership Association (TGEMA) providing a base wage increase for qualifying TGEMA employees within the classification of Street Maintenance Worker/Equipment Operator II (SMW II).

Discussion: In the last year the Town has faced increased challenges in hiring and retaining staff in our SMW II classification. This is a critical classification in our organization and adequate staffing is required to continue the key public safety tasks of road maintenance and snow removal, and to ensure that the Town's roads are passable during winter storm events for our community members and safety personnel. It is the single largest classification in the Town with 14 full-time employees and 20 seasonals.

The labor market has been increasingly challenged for this position, which has resulted in great difficulty in attracting and retaining full-time personnel and multiple vacancies over the past three years in the Town's seasonal crews. Public Works staff have been working hard to revamp the Town's recruitment process. Efforts have included rebranding our job ad materials and getting certified as a commercial license training. By becoming a training facility, the Town can provide potential recruits with the required training and experience to attain their commercial license as a perk of employment. This has allowed division staff to tap into a pool of experienced equipment operators that have historically been prevented from applying since they do not have a commercial driver's license. Despite these efforts, staff has had to offer wages higher in the job classification wage range than in the past in order to be successful in hiring new team members.

Until recently, the Roads and Snow Division has consistently hired near the bottom of the range with employees moving through the range over time based on their annual evaluation score. Due to the changing job market, management throughout the Town have had to hire at a higher point within the range based on related experience or education to secure new hires. The Roads and Snow Division has had to move to this practice in hiring SMW IIs as well. At issue is that the Town has a few employees in the Roads and Snow Division that were hired prior to this change in practice and, despite more service time with the Town, are being paid at a rate lower than newer hires who have equitable, or in some cases, less directly related experience.

Principle 1 of Resolution 2014-25 *Interests and Principles Related to Employee Compensation and Employment* states Council's commitment to maintaining compensation levels and benefits with the ability to retain excellent employees. Principle 2 affirms Council's commitment to maintaining relative parity amongst all employees. In achieving these principles, staff recommends a base wage increase to qualifying employees in the Street Maintenance Worker/Equipment Operator II classification who were

hired prior to January 1, 2022, and have a base wage below the mid-point of wage range 11. This is detailed in the attached draft side letter with the TGEMA (Attachment 1). Qualifying employees would have their base wage raised to the mid-point of the range and would receive an additional \$.50 per hour for every 6 months of service to the Town, including time worked as a seasonal employee.

To ensure that the Town is able to retain and continue recruiting experienced staff necessary for the Town to meet its commitment to high quality road conditions and uphold the employee compensation commitments outlined in Resolution 2014-25, staff recommends Council approve the side letter with the TGEMA. In order to recruit and hire seasonal employees, staff has started to hire near the top of the range based on years of experience. Because these employees are seasonal, they are not eligible for the Town's competitive benefit package (i.e. health/dental/vision insurance, 457 access, paid vacation leave). Due to this difference, staff does not feel there are inequity issues and this change has helped successfully bring back the bulk of the Town's returning seasonal team this year.

To bolster recruiting efforts for the remaining vacant seasonal SMW II positions, staff has adjusted the readiness rate and is extending the 5% night-shift differential to seasonals which was previously only available to full-time employees. The Town budgets for 10 seasonal readiness positions. These individuals are paid a weekly stipend to remain on-call in the event of a storm. The rate has been \$500 per week for more than five years. Staff has adjusted the rate to \$750 per week.

Priority:

<input type="checkbox"/> Enhanced Communication	<input type="checkbox"/> Climate and Greenhouse Gas Reduction	<input type="checkbox"/> Housing
<input type="checkbox"/> Infrastructure Investment	<input checked="" type="checkbox"/> Emergency and Wildfire Preparedness	<input checked="" type="checkbox"/> Core Service

Fiscal Impact: The estimated cost associated with the base wage increase, the increase in Readiness pay, and the extension of the 5% night shift differential is \$135,000.

Staff estimates that the vacancies in the department have resulted in nearly \$100,000 worth of budgetary savings in personnel costs through October. There are still two positions vacant and staff estimates that those vacancies will result in an additional \$35,000 worth of savings before staff is able to get them filled. As such, staff is not requesting a budget amendment at this time, but will continue to monitor Town-wide spending and will report back on personnel spending as part of the periodic financial reports.

Public Communication: The human resources team have been communicating with the TGEMA negotiator and TGEMA employees in regards to this matter.

Attachments:

Attachment 1 – Side Letter with the Truckee General Employees Membership Association (TGEMA) providing a base wage increase for qualifying TGEMA employees within the classification of Street Maintenance/Equipment Operator II.