



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Adopt Resolution Approving Salary Adjustments for the Positions of Electric Utility Director, Electric Operations Superintendent, Rates and Resources Manager, Manager, Engineering & Operations, and Senior Power Engineer

MEETING DATE: February 20, 2013

SUBMITTED BY: Human Resources Manager

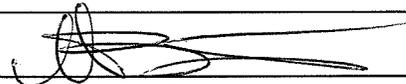
RECOMMENDED ACTION: Adopt resolution approving salary adjustments for the positions of Electric Utility Director, Electric Operations Superintendent, Rates and Resources Manager, Manager, Engineering & Operations, and Senior Power Engineer.

BACKGROUND INFORMATION: Positions within the Electric Utility Department are highly specialized and remain difficult for the City of Lodi to recruit diverse and qualified applicants. Over the past several years, recruitments for the positions of Electric Utility Director, Electric Operations Superintendent, Rates and Resources Manager, Senior Electrical Technician, and Electric Technician have been challenging to fill. These positions are highly competitive in the marketplace; incumbents and prospective applicants for these positions and many others in the electrical and power field remain in demand and, more importantly, become more challenging for smaller power agencies such as the City of Lodi to be competitive.

Research indicates the City's compensation for the Electric Operations Superintendent, Rates and Resources Manager, Manager, Engineering & Operations, and Senior Power Engineer are not competitive in the market. Among comparable positions within the EU industry, the salaries are approximately 16-32% below market. Previous efforts to recruit for most of the above positions have resulted in a small, narrow pool of candidates. In some cases, the City has had to delay recruitments and raise salaries to attract a broader pool of qualified candidates.

At present, three of the top four positions in Electric Utility are vacant (the Rates and Resources Manager is filled through a temporary appointment), and another mid-management position is vacant. It is critical that recruitments for these positions be initiated promptly, and that the recruitments attract a broad pool of qualified candidates. To better position the Electric Utility to compete in the marketplace, staff recommends that the City Council approve the following increases to the aforementioned positions:

Classification	% increase
Electric Operations Superintendent	15%
Manager, Engineering & Operations	15%
Rates and Resources Manager	15%
Senior Power Engineer	15%
Electric Utility Director	5%

APPROVED: 
Konrad Bartlam, City Manager

Please refer to Attachment A for a listing of the current and proposed salary ranges.

It may be appropriate to make an additional three statements regarding this request: First, historically external and internal salary surveys do not necessarily dictate the salaries of City of Lodi employees. However, the City has made adjustments to position salary ranges and employees salaries when it has become challenging to recruit and retain qualified applicants/employees. This Council Communication is consistent with that approach.

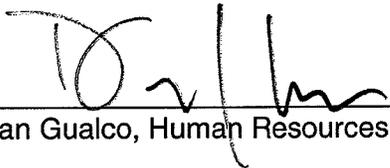
Second, staff recommends the salary range for the Electric Utility Director be raised five (5) percent to reduce compaction issues within the Electric Utility. This will maintain a more appropriate salary separation between the Electric Utility Director and subordinate positions. Please see Attachment B to highlight the compaction issues involving the Electric Utility Director salary if Council approves the salary increases as proposed in this Communication.

Third, and finally, increasing these salaries is not necessarily a guarantee that a broad and qualified pool of applicants will be obtained, principally because the City of Lodi is a smaller power agency (and thus fewer promotional opportunities), some candidates cannot afford to move to Lodi because they may have housing challenges (they may have lost considerable equity in their home), and Lodi's retirement benefit is less generous than other power agencies. However, these increases should make Lodi more competitive in the marketplace.

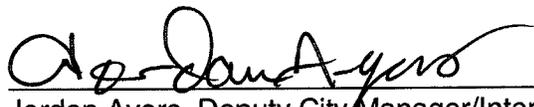
Attachment C includes the Electric Utility organizational chart with the current and proposed salaries as detailed in this Communication.

FISCAL IMPACT: At top step, the aggregate difference in base pay for all recommended salary adjustments is \$61,750 per year.

FUNDING AVAILABLE: All additional costs will be absorbed within existing appropriations.



Dean Gualco, Human Resources Manager



Jordan Ayers, Deputy City Manager/Internal Services Director

Current Salary Range

Classification	Step A	Step B	Step C	Step D	Step E
Electric Operations Superintendent	\$8,227.02	\$8,638.38	\$9,070.29	\$9,523.81	\$10,000.00
Manager, Engineering & Operations	\$8,227.02	\$8,638.38	\$9,070.29	\$9,523.81	\$10,000.00
Rates and Resources Manager	\$8,227.02	\$8,638.38	\$9,070.29	\$9,523.81	\$10,000.00
Senior Power Engineer	\$7,355.64	\$7,723.43	\$8,109.60	\$8,515.08	\$8,940.83
Electric Utility Director	\$12,916.58				

Proposed Salary Range

Classification	Step A	Step B	Step C	Step D	Step E
Electric Operations Superintendent	\$9,461.08	\$9,934.13	\$10,430.84	\$10,952.38	\$11,500.00
Manager, Engineering & Operations	\$9,461.08	\$9,934.13	\$10,430.84	\$10,952.38	\$11,500.00
Rates and Resources Manager	\$9,461.08	\$9,934.13	\$10,430.84	\$10,952.38	\$11,500.00
Senior Power Engineer	\$8,458.96	\$8,881.91	\$9,326.00	\$9,792.30	\$10,281.92
Electric Utility Director	\$13,562.33				

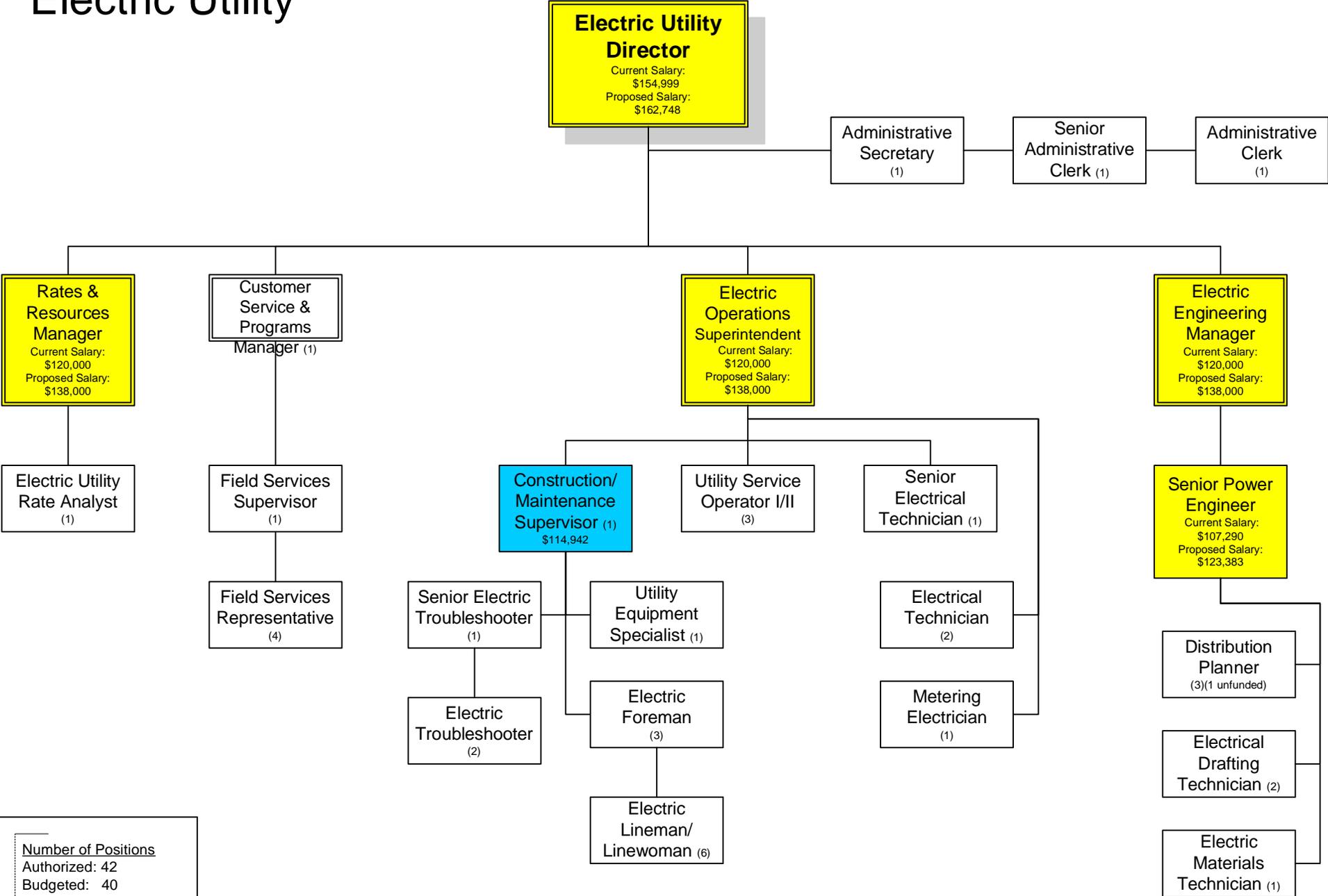
City of Lodi Electric Utility Director compared to other EU managers (current salaries)

<u>Title</u>	<u>Annual Salary</u>	<u>% difference</u>
Electric Utility Director	\$154,999.56	
Electric Operations Superintendent	\$120,000.00	-29%
Rates & Resources Manager	\$120,000.00	-29%
Senior Power Engineer	\$107,290.00	-44%
Construction/Maintenance Supervisor	\$114,942.00	-35%

City of Lodi Electric Utility Director compared to other EU managers (proposed salaries)

<u>Title</u>	<u>Annual Salary</u>	<u>% difference</u>
Electric Utility Director	\$162,748.00	
Electric Operations Superintendent	\$138,000.00	-18%
Rates & Resources Manager	\$138,000.00	-18%
Senior Power Engineer	\$123,383.00	-32%
Construction/Maintenance Supervisor	\$114,942.00	-42%

Electric Utility



Number of Positions
 Authorized: 42
 Budgeted: 40

RESOLUTION NO. 2013-22

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
THE SALARY ADJUSTMENTS FOR THE POSITIONS OF
ELECTRIC UTILITY DIRECTOR, ELECTRIC OPERATIONS
SUPERINTENDENT, RATES AND RESOURCES MANAGER,
MANAGER OF ENGINEERING AND OPERATIONS, AND
SENIOR POWER ENGINEER

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NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the salary adjustments for the positions of Electric Utility Director, Electric Operations Superintendent, Rates and Resources Manager, Manager of Engineering and Operations, and Senior Power Engineer; and

BE IT FURTHER RESOLVED that the City Council hereby approves the salary ranges for Electric Utility Director, Electric Operations Superintendent, Rates and Resources Manager, Manager of Engineering and Operations, and Senior Power Engineer and shall be as follows:

Classification	Step A	Step B	Step C	Step D	Step E
Electric Operations Superintendent	\$9,461.08	\$9,934.13	\$10,430.84	\$10,952.38	\$11,500.00
Manager, Engineering & Operations	\$9,461.08	\$9,934.13	\$10,430.84	\$10,952.38	\$11,500.00
Rates and Resources Manager	\$9,461.08	\$9,934.13	\$10,430.84	\$10,952.38	\$11,500.00
Senior Power Engineer	\$8,458.96	\$8,881.91	\$9,326.00	\$9,792.30	\$10,281.92
Electric Utility Director	\$13,562.33				

Dated: February 20, 2013

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I hereby certify that Resolution No. 2013-22 was passed and adopted by the Lodi City Council in a regular meeting held February 20, 2013, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Katzakian, Mounce, and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Johnson

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
City Clerk