

## **COUNCIL ACTION FORM**

**SUBJECT:**                                    **REVISIONS TO SKILL-BASED PAY PROGRAM**

**BACKGROUND:**

For many years, the City has offered a skill-based pay program for employees in certain maintenance positions to voluntarily develop specialized technical skills. The City benefits from this program by developing in-house knowledge and skill to troubleshoot, repair, and operate unique equipment such as motors, control equipment, fiber optics, valves, and more. The employees who participate in the program gain additional skills and job enrichment and receive additional compensation.

The skill-based pay program has historically been included in the Blue Collar collective bargaining agreement. The document outlines the eligible positions, skills to be enhanced, and the licenses, certifications, and coursework needed to qualify for the program. In fall 2024, the non-Transit portion of the Blue Collar bargaining unit was decertified, resulting in the collective bargaining agreement being invalidated. The City Council adopted temporary policies to ensure the continuity of benefits for the affected employees. Included among these policies was the skill-based pay program.

Over the past several months, staff has evaluated the skill-based pay program and made revisions to make the document easier to understand, revise the courses and certifications, and address new trends such as virtual coursework in lieu of classroom education. Additionally, a skill track has been incorporated for maintenance workers in the Utility Maintenance Division. This skill track enhances employee skills in geographical information systems, which is increasingly valuable as the City maps and collects field data regarding underground infrastructure.

A copy of the proposed skill-based pay program is attached. This version would supersede the version of this program that is currently in effect. Additionally, the City Council is being asked to amend the 2024/25 Pay Plan to incorporate the two new skilled positions: Utility Maintenance Technician I (hourly rate ranging from \$28.57 - \$33.18) and Utility Maintenance Technician II (hourly rate of \$36.18). Maintenance Workers in the Utility Maintenance Division who qualify may progress to the Maintenance Technician I and II positions as described in the skill-based pay program.

Staff anticipates the cost of including the Utility Maintenance skill track to be less than \$10,000. Funding has been incorporated for these expenses in the current FY 2024/25 and draft FY 2025/26 budgets. Actual expenses will depend on the number of employees within the division who choose to participate in the program. The total number of full-time equivalent (FTE) employees will not be increased or decreased.

**ALTERNATIVES:**

1. Approve the revised skill-based pay program and amend the 2024/2025 Pay Plan to incorporate the Utility Maintenance Technician I and II positions and rates of pay.
2. Refer this item back to staff for further information.
3. Do not approve the revised plan or creation of the new positions.

**CITY MANAGER'S RECOMMENDED ACTION:**

**The skill-based pay program has been a valuable, collaborative tool benefitting both the City organization and the employees participating in the program. The additional skills that are developed are enriching for the employees and result in an improved ability for maintenance activities to be conducted in-house, more quickly and at less cost compared to relying on outside contractors.**

The proposed revisions incorporate revised course listings, streamline the document, and provide for the Utility Maintenance division to participate in the plan. Additionally, two new Utility Maintenance Technician position descriptions have been prepared to reflect the duties of participating employees. **Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.**

**ATTACHMENT(S):**

[Skill-Based Pay Plan.docx](#)

[Utility Maintenance Technician II draft job description.docx](#)

[Utility Maintenance Technician I draft job description.docx](#)