



TO: CVCS Board of Directors

FROM: Peter Kampa, General Manager

DATE: October 19, 2021

SUBJECT: Item 7b) Review of staffing concerns and consideration of securing consulting services to conduct a classification and compensation study/survey to determine if adjustments to the District landscape maintenance position descriptions, advancement opportunities, salaries, benefits or other compensation are needed to attract and retain employees

RECOMMENDED ACTION

Staff seeks Board direction on the desired work culture and potentially a Board motion to proceed with securing a proposal from a human resources consulting firm for the completion of a classification and compensation study/report in an amount not to exceed \$20,000 and to begin the work immediately

BACKGROUND

Due to the manual labor nature of the job responsibilities and level of total compensation for our entry level and second level landscape maintenance worker positions, we have experienced a relatively high degree of employee turnover. Employees rarely stay with the district for a period of over two to three years which significantly increases our recruitment and training costs, not to mention lost efficiencies and impacts to other employees and service levels.

The current pandemic, related unemployment benefit increases and stimulus money, has caused a shortage of employees in general especially in entry level and manual labor positions. We are currently two full time employees short and recently lost our part time mechanic. Although recent advertisements for these open positions resulted in a small number of applications, those called for interview either did not respond or did not show up. This trend has been becoming increasingly troublesome for the past year. Following conversations over the last week and brainstorming on how to be able to keep up with work and service demands, it was determined that we need to move quickly with a two-step approach.

1. First our current entry level and 2nd level hourly wage is comparable to that of local retail stores and fast food restaurants which makes it difficult to attract applicants for our manual labor positions. I have authorized the advertisement for open positions using the hourly wage at our highest level for the position, step four. Our salary schedule for this year is included with this agenda item. We believe that this hourly wage is needed to attract applicants.

2. In the longer term we need to consider whether we are satisfied with randomly adjusting hourly rates paid and maintaining our current level of benefits even if it results in shorter employment tenure; or whether we seek to develop an employment model where we strive for attraction of solid candidates and significantly longer employee retention periods. Basically, the decision needs to be made whether these positions can be living wage for local workers, when you consider the total compensation value of wages, benefits, advancement opportunities, holidays, vacation and other factors.

Another possibility discussed at length over the last week has been the option of using contractors to fully replace our full time positions. There are advantages to this type of model as you would seek to secure a contract that provided a guaranteed competency, customer service, level of work, reliability and cost. However, to ask for this commitment, especially in today's labor market environment, will most certainly increase our operating expenses. It is also unclear whether there are any competent local contractors that would be able to make such a commitment to the district. From a legal perspective we are not allowed to direct the daily work efforts, work quality, methods and other aspects of the work as that could put us in a position of improperly classifying contractors when they should be employees of the district. In today's contracting environment, we basically have to set the end result expectation of the work, set some bookend parameters and perform quality control inspections on the end result. It has been determined by staff that contracting could be beneficial on some type of on call, as needed basis for specific maintenance work.

Public employment typically comes with it a stability in employment, living wage total compensation, retirement packages and some work flexibilities. Since the beginning of the district we have operated more as a landscape maintenance private business versus services provided by a public agency. It is unclear to management whether simple adjustments in salary will solve our turnover problems, and whether the employees we attract would stay longer with a different benefit and employment package overall. There are very qualified professional consultants that can evaluate our job descriptions and responsibilities, our labor market and similar agencies to which we compare from an employment responsibility perspective; and can determine if offering a living wage in terms of total compensation would likely result in long term employees. This classification and compensation evaluation will at minimum identify the total compensation package offered by competitor local public agencies, such as city/park and recreation/mosquito control, park maintenance workers and pesticide applicators.

Since its formation in 1995, the district has not completed a formal classification and competition study. Not that it is absolutely necessary with our small size, but through the process we can ensure that we are structured to be an efficient and attractive employer in the labor market, and have the data to make informed decisions. At this time, we seek input and direction from the board.