



# City of Oceanside

300 North Coast Highway,  
Oceanside, California 92054

## Staff Report

---

**File #:** 25-685

**Agenda Date:** 4/9/2025

**Agenda #:** 14.

---

**DATE:** April 9, 2025

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Human Resources Department

**TITLE: RECEIVE AND ACCEPT THE FINAL WATER UTILITIES COMPREHENSIVE SALARY AND COMPENSATION REPORT; AND ADOPT RESOLUTIONS MODIFYING THE COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES AND APPROVING SIDE LETTER AGREEMENTS BETWEEN THE CITY AND THE OCEANSIDE CITY EMPLOYEES' ASSOCIATION, MANAGEMENT EMPLOYEES OF THE CITY OF OCEANSIDE, AND WESTERN COUNCIL OF ENGINEERS**

### **RECOMMENDATION**

Staff recommends that the City Council receive and accept the Final Water Utilities Comprehensive Salary and Compensation Report; and adopt resolutions modifying the Compensation Plan for Unrepresented Employees ("Comp Plan"), and approving side letter agreements with the Oceanside City Employees' Association (OCEA), Management Employees of the City of Oceanside (MECO), and Western Council of Engineers (WCE).

### **BACKGROUND AND ANALYSIS**

The Oceanside Water Utilities Department has faced a 15 percent turnover rate in recent years, resulting in an estimated \$960,000 annual financial impact due to hiring, training, and operational disruptions. Additionally, the department has been understaffed during vacancies leading to a loss of institutional knowledge and productivity.

In April 2020, the City Council accepted the Water Utilities Strategic Plan Update, which included a goal to "develop and retain engaged employees and attract top-level talent to join our high performing team." Following the approval of the City Council, the Oceanside Water Utilities Department underwent a comprehensive Operational and Organizational study conducted by Raftelis Corporation, completed in June 2022. The top recommendation was for the City to conduct a focused compensation study of neighboring utility agencies to address recruitment and retention challenges.

In June 2023, the City Council approved a contract with Gallagher Benefits Services, Inc. (formerly known as Koff and Associates) to conduct a Comprehensive Salary and Compensation Study for the Water Utilities Department. The study, completed in December of 2024, evaluated salaries and job classifications of comparable positions across local utility agencies within San Diego County.

The study identified the following comparator agencies based on organizational type, size, services provided, and geographical location with San Diego County:

- |                               |                                       |
|-------------------------------|---------------------------------------|
| * City of Carlsbad            | * City of Escondido                   |
| * City of Poway               | * City of San Diego                   |
| * Encina Wastewater Authority | * Olivenhain Municipal Water District |
| * Otay Water District         | * Padre Dam Municipal Water District  |
| * Vallecitos Water District   | * Vista Irrigation District           |

The study found that Water Utilities staff were, on average, eleven-point four percent (11.4%) below the market median for base salaries. Gallagher recommended salary adjustments and updates to specific job classifications to align with industry standards, departmental needs, and internal equity concerns. Staff and the impacted represented employee groups agreed that the data presented by Gallagher as published in the report was accurate to the point in time collected for purposes of discussing recruitment and retention issues. The groups met and conferred in good faith to determine how best to address these issues and it was determined by City management and agreed upon by the groups that the percentages recommended by Gallagher were appropriate. Therefore, side letter agreements, subject to the final approval of the City Council, were entered into with the applicable bargaining groups to adjust salaries based on the study's recommendations.

For those affected classifications that are not represented, the proposed changes are reflected in the revised version of the Compensation Plan for Unrepresented Employees presented for the City Council's final approval and adoption.

Aside from salary adjustments alone, the study supported the following changes:

- **Reclassifications**
  - Reclassify all Water Utilities Department Maintenance Worker I-III positions to Mechanical Technologist I.
  - Reclassify the San Luis Rey Chief Plant Operator to Wastewater Treatment Superintendent.
  - Reclassify the La Salina Chief Plant Operator to Wastewater Plant Supervisor.
  - Reclassify the Mission Basin Groundwater Purification Facility Chief Plant Operator to Water Treatment Supervisor.
  - Reclassify Chief Plant Operator to Advanced Water Treatment Chief Plant Operator.
- **Title Changes**
  - Environmental Specialist I/II/Senior to:
    - Zero Waste Specialist I/II/Senior
    - Water Efficiency Specialist I/II/Senior
    - Watershed Protection Specialist I/II/Senior
  - Environmental Officer to:
    - Zero Waste Program Manager
    - Water Efficiency Program Manager
    - Watershed Protection Program Manager
  - Principal Water Engineer to Water Engineering Manager

- **Water Classification Pay Adjustments**

- Place Advanced Water Plant Operator I-III classifications five percent (5%) above the Water and Wastewater Plant Operator I-III classifications to align with similar roles the City of San Diego and Padre Dam Municipal Water District which are the only agencies in the County with similar positions.
- Place the Senior Cross Connection Control Technician Classification seven-point eight percent (7.8%) above the Cross Connection Control Technician classification and equal to the Senior Distribution Operator. The Senior Cross Connection Control Technician and Senior Distribution Operator are in the same work group, functioning at the same level.

- **Engineering Classifications**

For purposes of parity, align pay rates for engineering positions within the City irrespective of their division assignment (Water Utilities, Development Services, Public Works). Adjustments have been made as a result to the following classifications:

- Senior Engineering Assistant
- Assistant Engineer (Civil and Traffic)
- Associate Engineer (Civil and Traffic)
- Senior Civil Engineer
- Principal Civil Engineer
- City Traffic Engineer
- City Development Engineer
- City Engineer

Staff recommends that these proposed changes become effective the first full pay period following the City Council's approval of this item.

### **FISCAL IMPACT**

The maximum anticipated increase to the annual water and wastewater enterprise fund operating budget is \$1,900,000. All actions impacting the Water Utilities enterprise fund related to this item have been modeled and reflected within the existing water and wastewater rates originally adopted by City Council November 2023.

For those affected positions operating outside of the Water Utilities Department, the estimated annual increase to the General Fund and Parks and Thoroughfare/Traffic Signal DIF operating budget is \$201,475 and \$14,550, respectively.

### **COMMISSION OR COMMITTEE REPORT**

Does not apply.

### **CITY ATTORNEY'S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Chelsea Phebus, Director of Human Resources & Risk Management

Reviewed by: Rob O'Brien, Deputy City Manager

Submitted by: Jonathan Borrego, City Manager

**ATTACHMENTS:**

1. Staff Report
2. Oceanside Total Comp Study Report December 2024
3. UNREP Compensation Plan Update
4. UNREP Resolution Compensation Plan April 9, 2025
5. OCEA Resolution 2025 Side Letter Agreement
6. OCEA Side Letter Agreement
7. MECO Resolution 2025 Side Letter Agreement
8. MECO Side Letter Agreement RECLASS
9. WCE Resolution 2025 Side Letter Agreement
10. WCE Side Letter Agreement