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**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
SEPTEMBER 20, 2007**

SUBJECT: APPROVE SALARIES

ACTION: APPROVE SALARIES FOR 14 POSITIONS

RECOMMENDATIONS

Approve:

A. Salary Equity Adjustments (7) - the proposed annual salaries for the following positions:

1. \$179,962 for the Chief Communications Officer
2. \$149,968 for the Deputy Executive Officer, Project Management
3. \$133,334 for the Deputy Executive Officer, Procurement
4. \$131,030 for the Deputy Executive Officer, Communications
5. \$130,815 for the Deputy Executive Officer, Strategic Development of Facilities Operations
6. \$130,130 for the Deputy Executive Officer, Public Relations
7. \$127,308 for the Director, Countywide Planning & Development

B. Position Reclassifications with Salary Adjustments (4) - the proposed reclassifications and annual salaries for the following positions:

1. \$167,440 for the Executive Officer, Project Control & Administration
2. \$140,033 for the Deputy Executive Officer, Countywide Planning & Development
3. \$138,772 for the Deputy Executive Officer, Federal Advocacy & Government Relations
4. \$125,471 for the Director, Quality Management

C. Promotions (2) - the proposed annual salary for the following positions:

1. \$147,835 for the Deputy Executive Officer, Operations (Metro Support Services Center)
2. \$126,500 for the Director, Countywide Planning & Development

D. Salary Adjustment - Increased Responsibilities (1) - the proposed annual salary of \$200,000 for the Lead Service Sector General Manager

ISSUES

Board approval is required for annual salaries in excess of \$125,000.

RATIONALE

Salary Equity Adjustments (7)

On an annual basis, Human Resources conducts salary equity reviews based upon requests submitted by the various Strategic Business Unit Chiefs. These reviews are conducted to ensure Metro's ability to motivate and retain high quality talent, in accordance with the Board's stated compensation philosophy.

To be eligible for a salary equity review, the affected employee should have received a performance rating of Commendable or higher for the past two fiscal years and have met the following criteria:

- a. must have been in the same job classification for at least one year
- b. must have been employed with Metro for at least two years
- c. must be currently paid below the midpoint of their classification's salary range

Submitted requests are reviewed by the Executive Officer, Administration and Human Resources for compliance with established procedures. Those in compliance with procedures are then reviewed with the Chief Executive Officer, who authorizes Human Resources to complete the review.

Human Resources has completed the equity reviews for FY07. As a result of the reviews, 7 proposed annual salaries exceed \$125,000 and require Board approval, as follows:

1. \$179,962 (3% salary increase) for the Chief Communications Officer – effective December 7, 2007 (responsibilities increased as part of CEO reorganization completed in late FY06/early FY07)
2. \$149,968 (3% salary increase) for the Deputy Executive Officer, Project Management – effective July 1, 2007
3. \$133,334 (5% salary increase) for the Deputy Executive Officer, Procurement – effective July 1, 2007
4. \$131,030 (3% salary increase) for the Deputy Executive Officer, Communications – effective July 1, 2007
5. \$130,130 (3% salary increase) for the Deputy Executive Officer, Strategic Development of Facilities – Operations – effective July 1, 2007
6. \$130,130 (3% salary increase) for the Deputy Executive Officer, Public Relations – effective July 1, 2007

7. \$127,308 (4.75% salary increase) for the Director, Countywide Planning & Development – effective July 1, 2007

Position Reclassifications and Salary Adjustments (4)

On an annual basis, Human Resources conducts reclassification studies based upon requests submitted by the various Strategic Business Unit Chiefs. These reclassification studies are conducted to ensure that employees are paid commensurate to the work they are performing which enhances Metro's ability to motivate and retain high quality talent, in accordance with the Board's stated compensation philosophy.

Job classification requests are considered as a result of the following:

- a. Expansion in scope of responsibility
- b. Introduction of new technologies which have changed job duties/scope/skill level
- c. New duties for which no job classification exists
- d. SBU/Departmental reorganizations
- e. Review of market data
- f. Employee retention rates
- g. Difficulty in recruitment

Submitted requests are reviewed by the Executive Officer, Administration and Human Resources for compliance with established procedures. Those in compliance with procedures are then reviewed with the Chief Executive Officer, who authorizes Human Resources to complete the study.

Human Resources has completed the studies for FY07. As a result of the studies, 4 proposed annual salaries exceed \$125,000 and require Board approval, as follows:

1. \$167,440 (15% salary increase) for the Executive Officer, Project Control & Administration (Salary Grade AA) – reclassified from Deputy Executive Officer, Program Management (Salary Grade S) – effective July 1, 2007
2. \$140,033 (12.93% salary increase) for the Deputy Executive Officer, Countywide Planning & Development (Salary Grade T) – reclassified from Director, Countywide Planning & Development (Salary Grade Q) – effective July 1, 2007
3. \$138,772 (5% salary increase) for the Deputy Executive Officer, Federal Advocacy & Government Relations (Salary Grade S) – reclassified from Director, Federal Advocacy (Salary Grade Q) – effective July 1, 2007
4. \$125,471 (5% salary increase) for the Director, Quality Management (Salary Grade Q) – reclassified from Director, Quality Management (Salary Grade P) – effective July 1, 2007

Promotions (2)

1. A selection was made to fill the position of Deputy Executive Officer, Operations (salary grade T), which was vacated by a retirement. This position directs all activities of Metro's Support Services Center (formerly RRC). The annual salary recommended for the position is \$147,835. This salary reflects a 5% increase for the internal candidate selected and is below the midpoint of the salary grade. The selected employee assumed his new responsibilities on an acting basis (without additional pay) on August 26, 2007. The proposed salary would be effective retroactive to that date.
2. A selection was made to fill the position of Director, Countywide Planning & Development (salary grade Q), which is being vacated by a retirement. This position will direct the activities of the San Fernando Valley/North County Area Team. The annual salary recommended for the position is \$126,500. This salary reflects a 15.77% increase for the internal candidate selected and is below the midpoint of the salary grade. The effective date of the salary is September 27, 2007.

Salary Adjustment – Increased Responsibilities (1)

The Service Sector General Manager classification (salary grade BB) has been modified to include the designation of one position as Lead, Service Sector General Manager by the Chief Operations Officer. In addition to the regular Service Sector General Manager duties, this one position is responsible for assisting the Chief Operations Officer in the following:

- 1) providing consistency standards to the other Service Sector General Managers and direction to Facilities and Central Maintenance functions;
- 2) ensuring operational and maintenance consistency, and fleet standardization across all sectors;
- 3) developing the long-range operations capital plan as it pertains to bus and vehicle procurements and bus and facility rehabilitation programs; and
- 4) leading efforts to leverage fleet and fleet maintenance technology across all Service Sectors to achieve further efficiencies in customer service and reduction in operating costs.

The annual salary recommended for the position is \$200,000. This salary reflects a 9.9% increase for the designated incumbent. The effective date of the salary is September 27, 2007.

FINANCIAL IMPACT

Proposed salary increases resulting from salary equity reviews and classification studies will be absorbed in the FY08 adopted budget. There will be no increase in total FTEs in the adopted budget.

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