

Prevailing Wage Ordinance and External Market Research



**MANAGEMENT AND CONFIDENTIAL ISSUES
COMMITTEE
SAN LUIS OBISPO COUNTY
AUGUST 5, 2010**

Key Language From SLO Prevailing Wage Ordinance

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- **The Ordinance**
 - [16 Prevailing Wage Ordinance.pdf](#)
- **Percentage change in compensation**
- **Same quality of service**
- **Persons, governmental agencies, firms, or corporations under similar employment**
- **Shall be determined by negotiations**
- **Advisory arbitration if no agreement reached**

County Code Provision

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- **2.48.034 Administration of management and confidential compensation plan.**
 - In determining prevailing wage pursuant to Section 2.48.180 for unrepresented confidential employees and unrepresented management classes, such wages may be computed in a manner similar to the manner used to determine prevailing wage for recognized employee organizations.

Observations

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- **No defined geographic region**
- **No defined market position**
- **Very small sample sizes**
 - Survey jobs
 - Survey agencies
- **Total compensation dollars used for base wage adjustments**
- **Ordinance does not require annual survey**
- **Method does not address inequities**
 - Jobs that are below “market” continue to be below market
 - Jobs that are above “market” continue to be above market

New Labor Market Identification

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Labor Market Selection – New Market

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- **Geographic Proximity**
 - Local, surrounding region, statewide
- **Nature of Services**
 - Predominantly counties
- **Employer Size**
 - Population and other demographics
- **Economic Similarity**
 - Economic indicators and demographic data

Three Groups of Employers

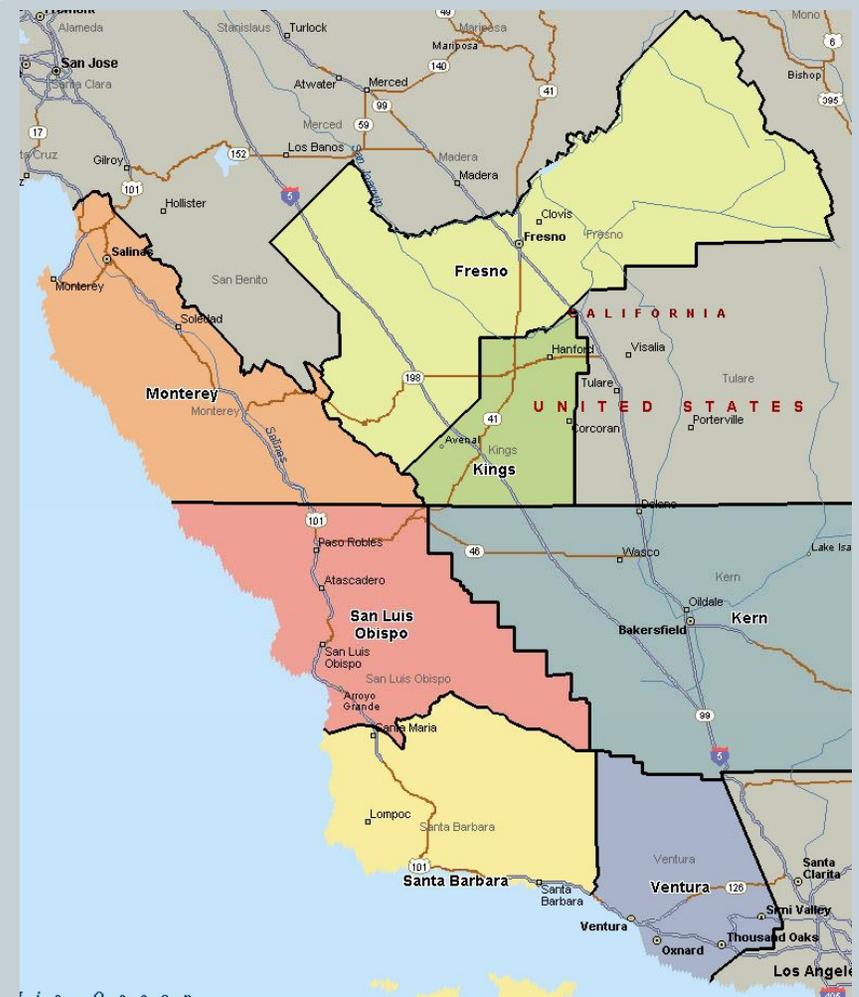
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- **Local public and private employers**
 - 75% of employees live within 30 miles of San Luis Obispo
 - ✦ [EE Addresses.xlsx](#)
 - 73% of applicants are within San Luis Obispo County
 - ✦ [SLO County Apps 1.1.06 to 2.10.10Deliverable Working File.xlsx](#)
- **Surrounding Counties**
 - Closest competitors
- **Demographically similar counties**
 - Ensures good job matches for diverse jobs
 - Ensures the majority of agencies are counties
 - Factors
 - ✦ [RATIONAL UNIVERSE DETERMINATION v2.xlsx](#)

Proposed Survey Agencies

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- **Local**
 - City of San Luis Obispo
 - State of CA
 - Cal Poly
 - San Luis Coastal USD
- **Surrounding Counties**
 - Fresno
 - Kern
 - Kings
 - Monterey
 - Santa Barbara
 - Ventura



Proposed Survey Agencies (cont.)

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- **Demographically Similar Counties**

- El Dorado County
- Sonoma County
- Placer County
- Santa Cruz County



Approach Being Taken With Represented Units

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SAN LUIS OBISPO COUNTY

Bargaining Unit Approach

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- **New Universe As Described**
- **Negotiate Benchmark Jobs For Salary Structure Development**
- **Conduct a Market Survey of the New Universe Benchmark Jobs**
- **Establish New Compensation Structure Based on New Market**

Bargaining Unit Approach

(Continued)

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- **Determine Classifications that Are Above/Below/At Market Based on Compensation Survey**
- **FY 10-11, Negotiate Addressing the Inequities After the Study is Completed**
- **Conduct a Market Change Survey in May 2011**
 - Use a *valid subset* of the positions surveyed in 2010 to determine the change in markets from 2010 to 2011
- **Salary Reopener for Salary Changes Effective 7-1-2011**
 - Use results of market change survey as basis of the reopener negotiations