



TO: Hyun Kim, Interim City Manager
FROM: Linnaea Jablonski, Human Resources Director
Kari Louie, Assistant Human Resources Director
Vanessa Peterson, Senior Human Resources Consultant
COPY: City Council and City Clerk
SUBJECT: Pay and Compensation Ordinance – March 24, 2026
DATE: March 9, 2026

SUMMARY AND PURPOSE:

An ordinance amending Chapter 1.12 of the Municipal Code, relating to the Compensation Plan, to implement rates of pay and compensation for employees represented by the Sheet Metal, Air, Rail and Transportation – Transportation Division (SMART-TD), Conductors Unit.

BACKGROUND:

The ordinance provides for the implementation of provisions of a Letter of Agreement (LOA) as negotiated with the Sheet Metal, Air, Rail and Transportation – Transportation Division (SMART-TD), Conductors Unit, regarding a new classification of Railway Conductor Trainee. The agreement has been scheduled for consideration by the Public Utility Board as a resolution on March 11, 2026, and by the City Council as a resolution on March 24, 2026.

The ordinance adds the classification of Railway Conductor Trainee to the Compensation Plan. The classification will be represented by the Sheet Metal, Air, Rail and Transportation – Transportation Division (SMART-TD), Conductors Unit for the purposes of collective bargaining. Railway Conductor Trainee will be classified, designated as overtime category “B”, with a four step pay range set at 70, 75, 80 and 85 percent of the journey-level hourly rate for Railway Conductor. Progression through the pay range will be based on successful progression through four stages of training. Trainees will serve a nine (9) month probationary period, and upon completion, will be eligible to compete for a promotion to a vacant permanent Railway Conductor position.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The Letter of Agreement has been reached with the Sheet Metal, Air, Rail and Transportation – Transportation Division (SMART-TD), Conductors Unit, and has been bargained in good faith.

2025 STRATEGIC PRIORITIES:

Economy/Workforce: Moderate Opportunity

Explain how your legislation will affect the selected indicator(s).

This legislation supports the responsible and sustainable management of City funds.



ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
Do not approve execution of the Letter of Agreement	N/A	unknown

EVALUATION AND FOLLOW UP:

STAFF/SPONSOR RECOMMENDATION:

Authorization from the City Council by resolution is required to authorize execution of the Letter of Agreement with the Sheet Metal, Air, Rail and Transportation – Transportation Division (SMART-TD), Conductors Unit.

FISCAL IMPACT:

Fiscal impact information is provided by the Management Services Office. Department Directors are responsible for adhering to their overall levels of appropriation.

What Funding is being used to support the expense?

Participating departments will be responsible for continuing costs.

Are the expenditures and revenues planned and budgeted in this biennium’s current budget?

No

Are there financial costs or other impacts of not implementing the legislation?

No

Will the legislation have an ongoing/recurring fiscal impact?

YES

Will the legislation change the City’s FTE/personnel counts?

No

ATTACHMENTS:

Fiscal Impact Memorandum