



## **CITY OF COMMERCE AGENDA REPORT**

**TO:** Honorable City Council

**FROM:** City Manager

**SUBJECT:** Implementation of Organizational Restructuring

**MEETING DATE:** July 31, 2025

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### **RECOMMENDATION:**

It is recommended that the City Council approve and authorize the City Manager to implement necessary actions related to an organizational assessment and restructuring initiative affecting the Parks and Recreation, Economic Development, and Human Resources departments effective 9/1/25. Additionally, it is recommended that the Council adopt the attached resolution amending the 2025-26 Adopted Salary Schedule.

### **BACKGROUND:**

The City has conducted a comprehensive assessment of its organizational structure in an effort to improve operational efficiency, streamline services, and align staffing levels with the City's strategic goals and priorities. The assessment provides the opportunity to realign and consolidate certain functions within the identified departments. This assessment has led to the reclassification, realignment, and elimination of certain positions as outlined in Exhibit D.

To ensure fairness, reduce disruption, and maintain the integrity of operations during this transitional period, the City placed affected individuals on paid administrative leave. This will allow the City to work with the respective labor associations as to any required proceedings and will ensure all employees are treated fairly and respectfully during this process.

### **ANALYSIS:**

These organizational changes are intended to increase efficiency, eliminate duplicate or outdated roles, enhance service delivery to residents and businesses, and strengthen accountability and leadership within affected departments.

### **FISCAL IMPACT:**

The fiscal impact is currently unknown. Any cost savings resulting from the elimination or realignment of existing positions will depend on labor-related changes, including applicable adjustments and the potential placement of affected employees into other qualifying positions.

**RELATIONSHIP TO STRATEGIC GOALS:**

This request supports a strategic effort to strengthen city operations, enhance efficiency, and improve service delivery to the community. It will ensure a smooth and objective transition during the organizational restructuring process. Staff respectfully recommends Council approval to move forward with this important organizational initiative.

Recommended by: Ernie Hernandez, City Manager

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Ernie Hernandez, City Manager

**ATTACHMENTS:**

1. Resolution
2. Exhibit A – Executive Salary Schedule, effective 09/01/25
3. Exhibit B – Full-Time Salary Schedule, effective 09/01/25
4. Exhibit C – Part-Time Salary Schedule, effective 09/01/25
5. Exhibit D – Workforce Changes