



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Public Works Director
Nicole Valentine, Administrative Services Director
Tashina Ureno, Human Resources Officer

SUBJECT: Consideration of Adoption of a Resolution Amending the Citywide Combined Salary Schedule to Establish a Pay Schedule for a Temporary Part-Time Acting Capital Improvement Project Manager

DATE: September 27, 2022

SUMMARY OF ACTION:

Adoption of the Resolution amending the Citywide Combined Salary Schedule to establish a pay schedule for the position of a Temporary Part-Time Acting Capital Improvement Project Manager will provide continuity of technical support for critical functions within the Public Works Department during a leave of absence of the permanent Capital Improvement Project Manager.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

Approval of the Amended Citywide Combined Salary Schedule will result in a new temporary part time position to help fulfill some of the duties of the permanent Capital Improvement Project Manager while on a leave of absence. Total costs will depend on the length of service of the Temporary Part-Time Acting Capital Improvement Project Manager; however, the length of service will not exceed 960 hours, for a total cost of approximately \$63,028.80. During the permanent Capital Improvement Project Manager leave of absence, it is anticipated that 66.6% of the employee's pay will be paid through third-party benefit payments and should result in a neutral cost to the City to use the Temporary Part-Time Acting Capital Improvement Project Manager.

RECOMMENDATION:

Adopt the Resolution amending the Citywide Combined Salary Schedule to include a new position for a Temporary Part-Time Acting Capital Improvement Project Manager.

BACKGROUND:

The Public Works Department is responsible for executing the City's capital improvement projects. The Capital Improvement Project Manager's role is to plan, direct, coordinate and supervise the planning, development and administration of the City's capital

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improvement program including budgeting, design, management, and inspection of construction of the capital projects. The City's Capital Improvement Project Manager will be taking a leave of absence and the City is in need of temporary assistance to address critical project management needs during this time.

ANALYSIS OF ISSUES:

After communication with several individuals and consulting firms, the City has not been able to find a qualified full-time Acting Capital Improvement Project Manager; however, with the availability and qualifications of Mr. Steven Kahn, the City is confident that a significant portion of the City's capital improvement projects will be managed and completed efficiently and effectively. Mr. Kahn is a retired CalPERS annuitant. Employment of a retired CalPERS annuitant is subject to certain criteria and regulations. These rules are intended to protect the public's interest by enabling CalPERS contracting agencies the ability to re-employ retirees, and protect the retirement system from inappropriate use or abuse. CalPERS recognizes that retirees can play an important role in keeping city business running, particularly in short term or emergency situations, but also provides limitations on their service.

The Government Code provides specific guidance on employing a CalPERS retiree without reinstatement from retirement or loss or interruption of retirement benefits. Key terms of hiring a retired annuitant are:

1. **Limited duration work:** The appointment needs to be clearly of limited duration.
2. **960 hour limit:** Retirees can work a maximum of 960 hours each fiscal year, regardless of the number of CalPERS contracting employers they work for.
3. **Rate of Pay requirement:** The compensation paid to any retiree must be within the monthly rate of pay range (not more or less than the CIP Manager pay range) and no other benefit, incentive, compensation in lieu of benefits, or other form of compensation can be paid in addition to this hourly pay rate.
4. **Enrollment in the myCalPERS system:** The City must report the pay rate and hours worked to CalPERS through the system currently used to report payroll.

With the creation of this position, the City will employ Mr. Kahn, who has recently consulted with CalPERS on multiple occasions on the retired annuitant issue and will ensure that CalPERS regulations related to retirees are followed.

Mr. Kahn retired from the City of Santa Maria as the Public Works Director in 2018. He is a registered Civil Engineer and licensed Land Surveyor and has over 36 years of

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experience in the public works field in both the public and private sector. He is currently employed at a local engineering firm working with cities, counties, and community services districts on the management, operations, and capital projects of the organizations. He has extensive experience with all aspects of public works operations and is exceptionally well qualified to fill the Temporary Part-Time Acting Capital Improvement Project Manager position for the City of Arroyo Grande.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Adopt the Proposed Resolution;
2. Modify and Adopt the Proposed Resolution;
3. Do not adopt the Proposed Resolution; or
4. Provide other direction to staff.

ADVANTAGES:

Hiring a Temporary Part-Time Acting Capital Improvement Project Manager will provide the leadership for the Public Works Department to continue managing the City's capital improvement program during the Permanent Capital Improvement Project Manager's leave of absence. Mr. Kahn's familiarity with the administration and operation of all aspects of public works will enable him to step into this role quickly and continue moving the City's capital improvement projects forward during this time.

DISADVANTAGES:

There are no disadvantages since the cost is already incorporated in the approved Public Works Department budget.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Resolution