



## Agenda Report

18-1463

Agenda Date: 12/4/2018

### REPORT TO COUNCIL

#### SUBJECT

Action on Resolution for an Exception to the 180 Day Waiting Period To Appoint A Retired Annuitant To Serve as Temporary Extra Help (Government Code Sections 7522.56 and 21224)

#### BACKGROUND

Generally, the Public Employment Retirement Law (PERL) requires that retired annuitants serve a 180-day wait period before working in a retired annuitant position. However, the PERL also provides for exceptions to this waiting period if certain criteria are met and the governing body of the public agency adopts a non-consent calendar resolution at a public meeting approving the appointment as a critically needed position before the 180 days has passed. The adoption of the resolution allows the employer to hire a retired annuitant to perform work of a limited duration, such as specialized work and limited term complex projects.

There are two types of post-retirement appointments possible under Govt. Code Section 7522.56: 1) Extra help retired annuitants hired to perform work of limited duration such as special projects (Govt. Code Section 21224); and 2) Appointment to a vacant position on an interim basis while a permanent replacement is being recruited (an active recruitment must be in place for this type of appointment, and the appointment must end when the replacement is hired, Govt. Code Section 21221(h)).

#### DISCUSSION

John Roukema is the Chief Electric Utility Officer. Mr. Roukema will retire December 28, 2018, after 38 years of dedicated service to the City. The City will hire a new Chief Electric Utility Officer, but Mr. Roukema's vast institutional knowledge and special skills will greatly assist City staff with immediate pending projects and the Department's strategic plan and its implementation.

Mr. Roukema is willing to be appointed to a limited term retired annuitant position to provide critical planning and strategic consultation to the City for the highly specialized and heavily regulated area of electric utility generation and transmission. He will be hired in a as-needed consultant position and will not participate in day to day administrative oversight of his former department. This would fall under the type 1 appointment as Mr. Roukema will be providing consulting services to assist the organization with the development and implementation of the Department's strategic plan and re-organization.

The recommended action would certify that the appointment of Mr. Roukema meets the requirements as defined in Govt. Code Sections 7522.56 and 21224, specifically:

1. Appointment is necessary to perform critically needed duties prior to the expiration of the 180-day wait period;
2. Mr. Roukema has not received a Golden Handshake or any other form of retirement-related incentive;

3. Adoption of resolution was not placed on consent calendar;
4. Employment will be limited to 960 hours/fiscal year; and
5. Compensation will be within the posted salary range in the publicly available salary schedule.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

### **FISCAL IMPACT**

PEPRA set forth limitations for compensating retired annuitants. All retirees must be paid hourly, at no less than the minimum, nor more than the maximum, paid to employees doing similar work. Based on the CalPERS formula for setting retired annuitant pay rates, Mr. Roukema will be paid at the hourly rate for as-needed consultant position of \$175.00. Retirees also do not receive any benefits. Sufficient appropriations exist in the Electric Utility Department to fund this interim term assignment. This temporary extra help assignment will not exceed 960 hours per fiscal year, for a total maximum amount of approximately \$168,000.

### **COORDINATION**

This report has been coordinated with the City Attorney's Office and the Finance Department.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

### **ALTERNATIVES**

1. Adopt the attached Resolution to permit the City's Chief Electric Utility Officer to provide valuable service to the City post-retirement but within the first 180 days of his retirement; or
2. Direct Staff to return with other options.

### **RECOMMENDATION**

Alternative 1: Adopt the attached Resolution for an Exception to the 180 Day Waiting Period To Appoint A Retired Annuitant To Serve as Temporary Extra Help (Government Code Sections 7522.56 and 21224).

Reviewed by: Teresia Zadroga-Haase, Director, Human Resources

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Resolution for an Exception to the 180 Day Waiting Period To Appoint A Retired Annuitant To Serve as Temporary Extra Help (Government Code Sections 7522.56 and 21224)
2. J. Roukema Letter

