



COUNCIL REPORT

DATE: January 23, 2024

CATEGORY: New Business

DEPT.: Human Resources

TITLE: **Appointing an Extra-Help Retired Annuitant Under Government Code Sections 7522.56 and 21224**

RECOMMENDATION

1. Adopt a Resolution of the City Council of the City of Mountain View for an Exception to the 180-Day Wait Period, Government Code Sections 7522.56 and 21224, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Appropriate \$75,000 in the General Non-Operating Fund in the Human Resources Department for retired annuitant wages.

BACKGROUND

Sue Rush retired on December 30, 2023 from the position of Human Resources Director after 25 years of service in Human Resources (HR) with the City of Mountain View. As the City contracts with the California Public Employees' Retirement System (CalPERS), Ms. Rush will be what is referred to as a retired annuitant.

California Government Code Section 7522.56 requires a 180-day waiting period before a retired annuitant can be employed by a CalPERS agency unless the nature of the employment meets one of the qualified exceptions and is approved via resolution by the governing body. In this case, the nature of Ms. Rush's recommended appointment will be as extra help with specialized skills to perform work of limited duration which qualifies for an exception under Government Code Section 21224. The CalPERS considers extra-help retired annuitants as those who perform work of limited duration (no more than 960 hours per fiscal year), such as the elimination of backlogs, limited-term special project work, or to perform work in excess of what regular staff can do.

ANALYSIS

The HR Department supports 12 departments and the organization's 691 FTE employees. In addition to regular business, the HR Department has several key projects under way, including:

- Labor Negotiations with all represented labor groups for successor MOUs, currently expiring on June 30, 2024;
- Adoption of new compensation terms for unrepresented groups;
- Implementation of a new employee applicant tracking system;
- Executive recruitment for a successor Community Development Director;
- Employee housing policy initiatives, including housing units at 777 Middlefield Road reserved for income-qualifying employees and the implementation of the homebuyer program terms, as well as securing contract services for administering the loans and qualification process;
- Legal compliance with new legislation, including policy updates; and
- Process and program enhancements in recruitment, onboarding, and performance management, including initiating system implementation.

Upon the announcement of Ms. Rush's retirement, the City proactively initiated a recruitment for the vacancy, and a successor Director will be appointed in February 2024. The incoming Human Resources Director will join the organization at a critical time, focusing their expertise to build relationships and lead the negotiations for successor contracts with all bargaining units. The City's bargaining team includes new staff, and this will be the first time contracts are fully open since 2017; therefore, the workload and time dedicated to this process will be significant and will impact the HR Department's capacity for other projects. In addition, the HR Department's existing staff will be looking to the new director for training, support, and mentoring, as many staff are new in their roles.

Ms. Rush is an experienced and tenured HR professional with the skills necessary to ensure the continuation of key projects and avoid delaying initiatives critical to the well-being and success of employees and the organization during a time of transition. Ms. Rush's employment is imperative to supporting the workload needs in excess of what regular staff can do.

FISCAL IMPACT

The extra-help employment of Ms. Rush, anticipated as part-time work, up to approximately 600 hours in Fiscal Year 2023-24, would cost up to \$75,000. Funding for this extra-help assignment will be appropriated in the General Non-Operating Fund in the Human Resources Department budget. No benefits would be provided with this appointment.

ALTERNATIVES

1. Do not certify the nature of Ms. Rush’s employment to fill the Human Resources Department’s need for extra help as defined by CalPERS, and do not appropriate Limited-Period funds for retired annuitant wages.
2. Certify the nature of Ms. Rush’s employment to fill the Human Resources Department’s need for extra help as defined by CalPERS and identify alternative funding.
3. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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Attachment: 1. Resolution