

RESOLUTION NO. 1551.24

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY
ESTABLISHING SALARY LEVELS AND ESTABLISHING THE MANAGEMENT
COMPENSATION BENEFIT PACKAGE FOR THE SCOTTS VALLEY MANAGEMENT TEAM**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY, that the "Management Compensation Benefits Package" for the Scotts Valley Management Team (hereinafter referred to as "Benefits Package") attached hereto as Exhibit A and incorporated herein by this reference is hereby approved as the compensation benefits package for all management employees as identified in Attachment A to the Benefits Package.

BE IT FURTHER RESOLVED that even though the Benefits Package may be amended from time to time by the City Council, all management employees employed by the City of Scotts Valley on the date of adoption of this resolution shall have a vested right to continue to receive benefits provided in the "Benefits Package" as approved herein.

BE IT FURTHER RESOLVED that salaries for management employees shall be as provided for in the Benefits Package.

The foregoing resolution was adopted by the City Council of the City of Scotts Valley at a regularly scheduled meeting held on the 7th day of October, 2015 by the following vote:

AYES: AGUILAR, BUSTICHI, JOHNSON, LIND, REED

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Approved: _____


Dene Bustichi, Mayor

Attest: _____


Tracy A. Ferrara, City Clerk

CITY OF SCOTTS VALLEY
MANAGEMENT COMPENSATION BENEFITS PACKAGE

CITY OF SCOTTS VALLEY

SCOTTS VALLEY MANAGEMENT TEAM MISCELLANEOUS GROUP

COMPENSATION BENEFITS PACKAGE

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SCOTTS VALLEY MANAGEMENT COMPENSATION BENEFITS PACKAGE

1.0 PURPOSE

The City of Scotts Valley requires the services of certain management personnel; and the City Council desires to provide certain benefits, conditions of employment and working conditions. The management employees covered by this Management Compensation Benefits Package (hereinafter referred to as the "Benefits Package") are comprised of those individuals serving in those positions defined in Attachment "A" which is attached hereto and incorporated herein by this reference. The City seeks to:

- A.** Secure and retain the services of management employees and provide inducement for them to remain in such employment.
- B.** To make full work productivity possible by assuring management employees' morale and peace of mind with respect to future security.
- C.** To act as a deterrent against malfeasance or dishonesty for personal gain.
- D.** To provide a just means for terminating a Department Head's services at such time as he/she may be unable to fully discharge his/her duties due to age or disability.

2.0 TERMINATION AND SEVERANCE PAY FOR DEPARTMENT HEADS ONLY

A. In the event a Department Head (as designated in Attachment "A") is terminated by the City Manager during such time that the Department Head is willing and able to perform his/her duties, the City agrees to pay him/her a lump sum cash payment ("Severance Pay") equal to two (2) weeks gross pay if terminated within one (1) year of hire and four (4) months gross salary if terminated after one year of hire. City agrees to pay life, medical, and dental insurance premiums for one (1) month if terminated within one year of hire and four (4) months if terminated after one year. However, the City shall have no obligation to pay Severance Pay if a Department Head is terminated for cause or because of his/her conviction of or plea of guilty or no contest to any felony involving personal gain or moral turpitude.

B. For purposes of receiving severance pay, a Department Head may be considered terminated, at his/her option, effective with the date of any one of the following events:

- 1. The City at any time reduces the salary or other financial benefits of the Department Head;
- 2. Following written notice from the Department Head, the City refuses to comply with any other provisions contained herein;
- 3. A Department Head is terminated by the City for reasons other than those specified in Paragraph 2.0(A) above (relating to exemption from payment of severance pay).

C. In the event a reduction in salary or change in benefits is the result of a general salary reduction or benefit reduction policy adopted by the City Council for all employees, Paragraph 2.0(B)(1) shall not apply.

D. In the event the City's refusal to comply with any other provisions herein also affects other employees in general, Paragraph 2.0(B)(2) hereinabove shall not apply and no Severance Pay shall be paid.

E. The Department Head shall give the City one month's advance notice of a voluntary resignation from City employment. Department Heads are not entitled to Severance Pay in the event of voluntary resignation.

F. Nothing herein shall prevent, limit, or otherwise interfere with the right of a Department Head to resign from his/her position with the City at any time, subject only to the provisions set forth in Paragraph 2.0(E) hereinabove.

3.0 ADMINISTRATIVE LEAVE

The management employee shall be entitled to ten (10) days of administrative leave per fiscal year commencing on July 1 of each fiscal year. Administrative leave may be taken in conjunction with vacation. Administrative leave is not cumulative from year to year. Administrative leave shall be prorated if employment is commenced during the fiscal year.

3.1 Other Leave Without Pay

The City Manager may grant a management employee a leave of absence without pay for a definite period not to exceed three (3) months. The City Council may grant a management employee a leave of absence without pay for a definite period not to exceed one year. The request for leave, and the reasons therefore, shall be submitted in writing by the management employee and must be approved by both the City Manager and, when necessary, the Council.

Upon expiration of the approved leave, the management employee shall be reinstated to his/her former position or to a comparable one if the former position is abolished during the period of leave and the management employee would otherwise not have been laid off.

Failure on the part of a management employee to return to work on the date scheduled shall be cause for termination.

3.2 Leave for Jury Duty

Leave of absence with pay shall be granted to a management employee while going to and from court and serving on jury duty. Any jury fee awarded to such person shall be deposited with the City Treasurer.

3.3 Restriction on Leave for Outside Employment

A leave of absence without pay may not be granted to a management employee for purposes of accepting either private or other public employment outside the service of the City.

4.0 VACATION AND HOLIDAYS

The management employee shall be entitled to three (3) weeks vacation annually up to five (5) years of service; four (4) weeks vacation annually after five (5) years of service; and five (5) weeks vacation annually after twelve (12) years of service with the City.

Vacation accrual (carry over from year-to-year) will be governed by the following chart:

<u>Years of Service</u>	<u>Maximum Vacation Accrual</u>
Under 5	30
5 or more	40 (plus 5 days per year may be added each year after the 30-day level is reached)

4.1 Holidays

Each management employee shall be entitled to the following holidays and to receive wages based on the normal scheduled work for the day. Any holiday that would otherwise be on a Saturday will be taken on the preceding Friday. Any holiday that would otherwise be on a Sunday will be taken on a Monday.

- 1) The first day of January
- 2) Third Monday in January - Dr. Martin Luther King, Jr. Day
- 3) The third Monday in February - Washington's Birthday
- 4) The last Monday in May - Memorial Day
- 5) July 4th - Independence Day
- 6) The first Monday in September - Labor Day
- 7) The second Monday in October - Columbus Day
- 8) November 11 - Veteran's Day
- 9) Thanksgiving Day
- 10) The day following Thanksgiving
- 11) The day preceding Christmas
- 12) Christmas Day
- 13) The day preceding New Years Day
- 14) Two floating holidays per fiscal year. (Management employee must use the floating holidays within the fiscal year or lose those holidays for that fiscal year.)
- 15) Every day appointed by the President of the United States or the Governor of the State of California and the City Council for a public fast, thanksgiving or holiday

4.2 Vacation Buy Back

The City will buy back up to two weeks (80 hours) of vacation annually, after 15 years of service with the City, so long as the management employee has an accrued vacation balance of at least one week (40 hours) remaining following the buy back. To request a vacation buy back, the management employee shall submit a written request to the City Manager. So long as the management employee meets the requirements of this subsection, the City Manager shall grant the request.

5.0 SICK LEAVE

Sick leave shall be accrued at the rate of eight (8) hours per month, beginning with the first month of employment without maximum accrual.

Upon termination, any unused accrued sick leave, up to a maximum of 150 days, shall be paid at the following rate:

<u>Years of Service</u>	<u>Percent (%) of Base Salary</u>
5 yrs + 1 day - 10 yrs	45
10 yrs + 1 day - 15 yrs	50
15 yrs + 1 day - 20 yrs	55
20 yrs + 1 day - 25 yrs	65
25 yrs + 1 day - 30 yrs	75
Over 30 yrs or at retirement	85

In lieu of pay off of sick leave at the above rates, the City has amended the PERS Contract to add section 20862.8 of the California Government Code (Credit for Unused Sick Leave). Unused accumulated sick leave at time of retirement may be converted to additional Service Credit.

Leave of absence with pay because of sickness or injury in the immediate family of an employee may be granted by the City Manager or his/her designated representative for the time reasonably necessary to arrange for care of the sick person by other, but not to exceed the amount of time which the person would be authorized for sick leave. Time taken for leave of absence under the provisions of this subsection shall be deducted from the management employee's accrued sick leave balance. For the purposes of this subsection, "immediate family" means mother, step-mother, father, step-father, husband, wife, son, step-son, daughter, step-daughter, foster parent, foster child or any person sharing the relationship of loco parentis; and, when living in the household of the employee, a brother, sister, brother-in-law, sister-in-law, mother-in-law, father-in-law or grandparent.

6.0 HEALTH AND WELFARE BENEFITS

In addition to the medical, vision and long-term disability coverage provided to all employees, the City shall provide a \$50,000 premium life insurance coverage for the management employees. For dental insurance the City shall provide reimbursement for employees' and dependents' up to 23 years of age documented dental expenses, with the first \$200 in expenses 100% reimbursed, the next \$500 80% reimbursed, and the next \$1,000 in expenses 50% reimbursed up to a maximum of \$1,100 in City contribution each calendar year.

6.1 Employee Retiree Medical Coverage Program

It is the purpose of the Employees Retiree Medical Coverage program to provide for medical insurance compensation to retired management employees in order to insure that these individuals, who have dedicated a number of years of service to the City of Scotts Valley, do not face an economic hardship at the time of retirement in paying for medical insurance coverage.

To be eligible for this benefit a management employee:

- A. Must have been employed with the City for ten (10) years or longer;
- B. Shall retire from the City of Scotts Valley. Public Safety management employees shall be eligible for their benefit upon retiring at age 50 or older; all other management employees shall be eligible upon retiring at age 55 or older. Notwithstanding the above, a management employee who retires with a minimum of ten (10) years service prior to age 55

shall become eligible for his/her benefit at age 55; and

- C. The retired management employee shall provide annual proof on the anniversary of retirement of current medical insurance coverage including the costs to the retiree. The retiree must notify the City if the medical insurance policy is cancelled. Failure to carry medical insurance or to notify the City of its cancellation will eliminate eligibility for his/her benefit. The retired management employee must secure their own medical insurance coverage. The medical benefit will be provided directly to the retiree at a rate not less than two thirds (2/3) of the monthly premium paid for "PERS retirees" under the PERS-CARE medical insurance plan (benchmark plan) except that the minimum contribution shall be at least \$250 per month.

The medical benefit will be at a rate in accordance with the following schedule:

<u>Years of Service</u>	<u>Percent (%) of Cost of Benchmark Premium</u>
10 years	66%
15 years	70%
20 years	80%
25 years	90%
30 years	100%

The medical benefit will be provided to the retiree and their spouse. However, their benefit shall only be payable while the retiree is living, and shall not be payable to the spouse of the retiree after the retiree's death.

Retiree Health Insurance pursuant to this section will not apply to newly hired employees effective upon written agreement with all City employee organizations.

6.2 PERS Compensation

The PERS plan for public safety members is 3% @ 50, and, for all others, the plan is 2.5% @ 55 for those employees hired prior to January 1, 2013, or hired after such date but already in the CalPERS system without a six-month break in service, at City expense. For those Members hired on or after January 1, 2013, new to the CalPERS system, the City shall provide 2.7% at 57 for safety members and 2% at 62 for all other members in accordance with State law. The contribution for new Members shall be shared in accordance with State law.

For all employees not under the new Public Employees Pension Reform Act:

The City shall provide the IRS 414(h) pick-up of the employee portion of the PERS retirement payment as employer contributions in lieu of employee contributions, for all members effective July 1, 2001.

PERS retirement shall be paid, based on the management employee's single highest year of compensation if the management employee agrees to pay any added cost, provided all other bargaining units in the City agree to the single highest year option with the employee paying any added costs.

7.0 LONGEVITY

Each management employee shall receive a five percent (5%) increase in salary upon completion of fifteen (15) consecutive years of service with the City.

8.0 EDUCATIONAL REIMBURSEMENTS

The City will reimburse management employees for the cost associated with upper level college courses and training sessions, in a curriculum related to a professional job related degree or certificate, approved in advance, by the City Manager. Reimbursable costs include only tuition, books and course-related fees. The City will not reimburse management employees for supplies or mileage used to travel to and from such courses.

9.0 SPECIAL BENEFITS/CHIEF OF POLICE AND POLICE CAPTAIN

The City agrees that in addition to any other benefits, the Chief of Police ("Chief") and the Police Captain ("Captain") shall be entitled to those benefits set out in Attachment "B", a copy of which is attached thereto and incorporated herein by this reference.

10.0 AUTOMOBILE POLICY

All Department Heads shall either be assigned a City vehicle, receive a monthly automobile allowance, or be reimbursed a mileage reimbursement at the rate set by the Internal Revenue Service as an allowable deduction for automobile business expenses when the management employee is using his/her private automobile for City business.

11.0 GRIEVANCE PROCEDURE

A Department Head may grieve any matter involving an interpretation of the terms of his/her benefits set out herein by following steps 1 and 2 below:

Step 1: Informal meeting with the City Manager in an attempt to resolve the grievance.

Step 2: If the grievance cannot be resolved by the Department Head and City Manager, it shall be presented to the City Council in Closed Session or at the option of the Department Head in an open meeting.

All other management employees may grieve any matter involving an interpretation of the terms of the benefits in accordance with the procedures established in the Personnel Rules and Regulations.

12.0 COMPENSATION

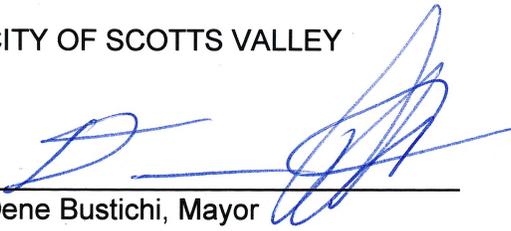
Compensation starting with the first full pay period in July 2015 shall increase 1.5% as set forth in Attachment "C". Compensation starting with the first full pay period in July 2016 shall increase .5% as set forth in Attachment "D". Copies of these are attached hereto and incorporated herein by this reference.

In addition to the salary above, each management employee shall receive a one-time bonus if the following condition is met. Should the City's actual sales tax revenue be greater than the budgeted amount during Fiscal Year 2015-2016, the difference between the budgeted sales tax revenues and the actual tax revenues shall be split 50% to the City, and the remainder shall be divided equally by the total number of permanent City employees (prorated for part-time employees). This amount shall then be multiplied by the number of management employees ("Bonus"). The Bonus shall be a one-time payment to employees based on full-time status in the Management Team to be paid no later than the first pay period in November 2016. In the event no Bonus is paid, the parties agree to a reopener on salary only by December 31, 2016.

13.0 "AT WILL" POSITIONS

The management positions listed in Attachment A are "at will" positions, meaning that they serve at the pleasure of the City Manager and may be removed at any time, with or without cause.

CITY OF SCOTTS VALLEY



Dene Bustichi, Mayor



Stephen H. Ando, City Manager

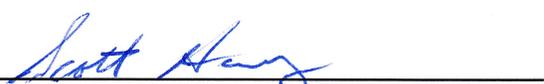
SCOTTS VALLEY MANAGEMENT EMPLOYEES



John Weiss, Chief of Police



Corrie Kates, Community Development Director /
Deputy City Manager



Scott Hamby, Public Works Director

APPROVED AS TO FORM:



Kirsten M. Powell, City Attorney

ATTACHMENT A
MANAGEMENT EMPLOYEES

Deputy City Manager / Administrative Services Director	Department Head
Chief of Police	Department Head
Community Development Director / Deputy City Manager	Department Head
Public Works Director	Department Head
Public Works Director / City Engineer	Department Head
Community Development Director	Department Head
Finance Director	Department Head
*Police Captain	
*Accounting Manager	

* Not a Department Head

ATTACHMENT B

POLICE CHIEF AND CAPTAIN / SPECIAL BENEFITS

(Applicable to Police Chief and Captain Only)

1. LEGAL DEFENSE

The City shall provide legal representation and necessary coverage for the protection and defense of the Police Chief and Police Captain ("Covered Employee") of the City of Scotts Valley Police Department acting legally in his / her sworn capacity while "on or off duty", and in accordance with the requirements of the California penal Code. The City agrees to provide the necessary legal liability coverage and legal representation to cover any litigation brought against the Covered Employees as a result of his / her actions as a Peace Officer.

2. ASSIGNED POLICE VEHICLE

The Police Chief and Captain shall be assigned an unmarked police unit from the Department fleet for his / her full time use, due to the nature of his / her employment.

3. HEALTH AND SAFETY - EQUIPMENT

City shall comply with all applicable State, Federal and County Safety Regulations and shall furnish all safety equipment required by law or deemed necessary by the City Manager, to the Covered Employee. At the commencement of employment, Covered Employee shall be provided safety equipment by the City as follows:

One (1) leather belt for slacks

One (1) leather duty belt with: holster, clip holder, handcuff case, mace holder, baton ring, key ring, four (4) keepers, belt buckle, tape recorder holster

One (1) weapon, clip and ammunition

One (1) O.C. spray canister

One (1) bullet-proof vest

One (1) set of handcuffs with key

One (1) expandable baton

One (1) police flashlight

One (1) tape recorder

City shall provide all equipment deemed essential by the Chief of Police to complete assigned duties.

4. UNIFORMS

At the commencement of employment, Covered Employee shall be provided uniforms by the City as follows”

- One (1) uniform hat and hat piece
- Three (3) uniform shirts, long or short sleeve
- Three (3) uniform slacks or skirts
- One (1) uniform duty jacket
- One (1) uniform dress jacket
- Patches as required for above uniforms
- One (1) name tag for uniform shirt
- One (1) name tag for uniform jacket
- One (1) complete set of rain gear and rain boots
- One (1) utility uniform
- Two (2) collar emblems
- One (1) duty badge
- One (1) off-duty badge and badge wallet

The City agrees to maintain any required uniform for the Covered Employee.

5. MILEAGE ALLOWANCE

When Covered Employee is required to use his / her personal vehicle on

City business, the City shall pay the mileage allowance provided by the rules and regulations of the Internal Revenue Service. When reimbursable to the City under POST Plans, the City shall pay maximum mileage allowance provided by rules and regulations of the POST Plan.

6. AMOUNT OF DURATION OF PAYMENT

Covered Employee shall be entitled to receive industrial sick leave with pay equal to the difference between 100% of his / her normal salary and the amount of any Worker’s Compensation temporary disability payments to which the Covered Employee is entitled during such incapacity for a period not to exceed one (1) calendar year from the date of such sickness or injury.

7. PEACE OFFICERS' BILL OF RIGHTS

The City and the Association acknowledge and reaffirm all rights and privileges granted to the Covered Employee by law, including, but not without limitation, those provisions of the Peace Officers' Procedural Bill of Rights (Gov. Code § 33000 et seq.) And the Meyers-Milias-Brown Act (Gov. Code § 3500 et seq.).

8. RETIREMENT

Covered Employee is a management Safety member under PERS and shall be covered under the applicable Safety plan as defined in Section 6.2 of this Benefits Package. All other provisions of Section 6.2 also apply to the Covered Employee.

9. TEMPORARY ASSIGNMENT TO HIGHER LEVEL VACANCY (Captain Only)

An employee specifically on a temporary basis to a higher level position shall be compensated at the pay rate for the higher level position if the service in such position exceeds a total of twenty (20) days in any twelve (12) month period, and payment shall be retroactive to the first day of such service.

10. VACATION ACCRUAL (Captain Only)

The Captain's allowable vacation accrual carry-over shall be 2.5 times annual accrual.

11. EFFECT OF ABSENCE ON CONTINUOUS SERVICE (Captain Only)

Absence on authorized leave with or without pay, time during which an employee is laid off because his services are not needed and time during which an employee is temporarily not employed by the City shall not be considered as an interruption of continuous service if such absence is followed by re-employment within one (1) year. However, such absences shall not be counted in computing the employee's years of continuous service.

12. AMOUNT AND DURATION OF PAYMENT

Covered employee shall be entitled to receive industrial sick leave with pay equal to the difference between 100% of his / her normal salary and the amount of any Worker's Compensation temporary disability payments to which he / she is entitled during such incapacity for a period not to exceed one (1) calendar year from the date of such sickness or injury.

CITY OF SCOTTS VALLEY
MANAGEMENT TEAM SALARY SCHEDULE

07/01/2015 - 6/30/2016

Position Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Chief of Police	9,274	9,738	10,225	10,736	11,273	11,837	12,429
Community Development Director / Deputy City Manager	8,559	8,987	9,436	9,908	10,403	10,923	11,469
Director of Public Works / City Engineer	8,281	8,695	9,130	9,587	10,066	10,569	11,097
Deputy City Manager / Administrative Services Director	8,281	8,695	9,130	9,587	10,066	10,569	11,097
Community Development Director	8,153	8,561	8,989	9,438	9,910	10,406	10,926
Finance Director	7,868	8,261	8,674	9,108	9,563	10,041	10,543
Police Captain	7,160	7,518	7,894	8,289	8,703	9,138	9,595
Accounting Manager	6,167	6,475	6,799	7,139	7,496	7,871	8,265

CITY OF SCOTTS VALLEY
MANAGEMENT TEAM SALARY SCHEDULE

07/01/2016 - 6/30/2017

Position Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Chief of Police	9,320	9,786	10,275	10,789	11,328	11,894	12,489
Community Development Director / Deputy City Manager	8,602	9,032	9,484	9,958	10,456	10,979	11,528
Director of Public Works / City Engineer	8,322	8,738	9,175	9,634	10,116	10,622	11,153
Deputy City Manager / Administrative Services Director	8,322	8,738	9,175	9,634	10,116	10,622	11,153
Community Development Director	8,194	8,604	9,034	9,486	9,960	10,458	10,981
Finance Director	7,907	8,302	8,717	9,153	9,611	10,092	10,597
Police Captain	7,196	7,556	7,934	8,331	8,748	9,185	9,644
Accounting Manager	6,198	6,508	6,833	7,175	7,534	7,911	8,307