



STAFF REPORT – CITY COUNCIL MEETING

June 05, 2024

TO: Honorable Mayor and City Council Members

FROM: Danette Demello, Assistant City Manager

PREPARER: Keira Vink, Human Resources/Administrative Services Director

DATE: May 27, 2024

TITLE: **Adopt an Amended Resolution No. 234-43, A Resolution of the City Council of the City of Arcata Waiving the 180-Day Waiting Period for a CalPERS Annuitant [Danette Demello] to Begin Post-Retirement Employment [Government Code Sections 7522.56 & 21224].**

RECOMMENDATION:

It is recommended that the Council adopt an Amended Resolution No. 234-43, A Resolution of the City Council of the City of Arcata Waiving the 180-Day Waiting Period for a CalPERS Annuitant [Danette Demello] to begin Post-Retirement Employment [Government Code Sections 7522.56 & 21224].

INTRODUCTION:

Assistant City Manager Danette Demello retired from the City of Arcata effective April 12, 2024. The City Manager's Office is seeking approval to allow Danette Demello to enter into post-retirement employment with the City as an extra help retiree annuitant prior to the CalPERS 180-day waiting period.

BACKGROUND/DISCUSSION:

The Public Employee Pension Reform Act of 2013, also known as PEPRA, was signed into law on September 12, 2012, and went into effect on January 1, 2013. Among many things, PEPRA created Government Code Section 7522.56 which requires public agency retirees to wait 180 days after retirement before returning to work for a CalPERS public agency. This waiting period can be waived should the City Council determine it is necessary to fill an extra help position with a retired annuitant due to critical deadlines and significant workload demands which are unable to be completed by existing staff.

Danette Demello has served as the City's Assistant City Manager since 2006 and she has a combined over thirty years of experience completing public sector personnel work. The Assistant City Manager was a position in the City Manager's Office and served as the employee with the primary responsibility, knowledge, and management of the City's personnel and administrative policies, procedures, activities, and resources. Danette Demello has vast experience in managing complex

personnel projects such as large personnel policy updates, creating structures for proper reporting and monitoring of employees in compliance with State and Federal law, and performing a wide variety of administrative and human resources functions.

The City of Arcata has critical deadlines, and the workload of the current staff does not allow for the completion of the projects to be done prior to the deadline. One example is the update of the Personnel Rules and Regulations for the City of Arcata for legal review by a designated law firm and approval by the City's risk management consortium. Failure to comply with this deadline will result in an increase in the premiums the City is currently paying. Additionally, the City was notified that the California Intergovernmental Risk Authority will no longer administer a key public and employee safety process which it had previously been administering. As a result of this change, the City must research and develop an alternative process for implementation no later than July 1, 2024. The two examples are part of a group of tasks and activities which are critical to complete but existing staff are unable to accomplish due to their existing workload and lack of knowledge of the processes.

Danette Demello has agreed to make herself available to work on a part-time basis after retirement to assist the City. The attached Resolution is required by CalPERS for consideration of approval to allow the 180-day waiting period to be waived for Danette Demello's post-retirement employment.

BUDGET/FISCAL IMPACT:

Pursuant to CalPERS guidelines for retired annuitants, this assignment will be part-time in nature and total hours worked for all CalPERS agencies will not exceed 960 per fiscal year. The costs associated with hourly employment of this position will be paid from the City Manager's Office budget.

ATTACHMENTS:

- A. Amended Resolution No. 234-43 Waiving CalPERS 180-day Waiting Period (PDF)
- B. Amended Employment Contract Danette Demello (PDF)