

CITY ATTORNEY EMPLOYMENT AGREEMENT

[OCTOBER 16, 2023]

THIS AGREEMENT is effective the 18th day of September 2023, by and between Brian P. Hickey (referred to as "EMPLOYEE") and the City of San Pablo (referred to as "CITY").

In consideration of the faithful performance of the terms and conditions set forth herein, the parties mutually agree as follows:

1. Employment.

a. Effective October 16, 2023, EMPLOYEE shall be employed as City Attorney for the City of San Pablo for a term of twelve (12) months, unless mutually agreed to end earlier. This twelve (12) month term shall automatically recommence on the first day of each succeeding month, unless notice of termination is given by the City Council as specified herein. This section is intended to comply with Section 53260, *et seq.* of the Government Code of the State of California.

b. EMPLOYEE shall diligently focus time, ability and attention to CITY business and fulfill the duties of the City Attorney as outlined in the Job Description (<https://www.sanpabloca.gov/DocumentCenter/View/11012/City-Attorney>); San Pablo Municipal Code (<https://www.codepublishing.com/CA/SanPablo/>) and State law (including but not limited to California Government Code sections 41800 *et seq.*). All reports, memoranda and other documents prepared by EMPLOYEE while performing duties under this Agreement shall be furnished to and become the property of CITY.

c. EMPLOYEE serves at the pleasure of the City Council and is an at-will employee. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of

the City Council to terminate the service of EMPLOYEE at any time, for any or no cause subject only to the provisions set forth in Section 6 of this Agreement.

d. EMPLOYEE agrees to remain in the exclusive employ of the CITY during the terms of this Agreement. However, EMPLOYEE shall not be precluded from occasional teaching or writing, performed during EMPLOYEE's time off, or during administrative leave or vacation, with the concurrence and knowledge of City Council. EMPLOYEE shall not engage in any activity that is or may become a conflict of interest, prohibited contract, or that may create an incompatibility of office as defined under California law.

2. Compensation. EMPLOYEE shall receive the following compensation:

a. Salary. Effective October 16, 2023, EMPLOYEE's annual salary shall be \$265,000, with payment made twice a month at the same time and manner as other City employees are paid, subject to required or requested withholdings. Additionally, EMPLOYEE shall receive the cost-of-living ("COLA") increases in fiscal years 2024-2026 previously approved by the City Council in Resolution 2023-118 (attached hereto as Exhibit A), provided however that COLAs automatically provided by automatic renewal of this Agreement and Resolution 2023-118 in fiscal years 2024-2026 shall not exceed the California Consumer Price Index for Urban Wage Earners and Clerical Workers as calculated by the Department of Industrial Relations, except as provided by further Council action. Further COLA adjustments are at the discretion of the City Council.

b. Benefits. EMPLOYEE's benefits are as set forth in Resolution 2023-118, and the Schedule of Benefits in Resolution 2023-118 may be revised by majority vote of the City Council. Upon start of employment, CITY shall provide EMPLOYEE with a pro-rata amount of administrative leave for fiscal year 2023-24 of 75 hours. Further, any benefits set forth

specifically in this Agreement supersede those set forth in the attached Schedule of Benefits.

c. Deferred Compensation. CITY shall annually match EMPLOYEE's contribution to EMPLOYEE's ICMA 457 deferred compensation account, up to \$11,072 per calendar year.

d. Information Technology Allowance. CITY shall pay EMPLOYEE an information technology allowance of \$750 annually as well as provide a City laptop or PC for home use.

e. Auto Allowance. CITY shall pay EMPLOYEE an auto allowance of \$350 per month (\$4,200 per year).

3. Business Expenses. CITY agrees to pay for City related business expenses. Such expenses shall include all direct costs associated with State Bar dues and up to two section memberships, and attendance at professional conferences including but not limited to Cal Cities and County city attorney lunches and meetings, within approved departmental budget and per diem parameters.

4. Performance Evaluation. Annual performance evaluations are an important way for the City Council and the EMPLOYEE to ensure effective communications about expectations and performance. The City Council recognizes that for the EMPLOYEE to respond to its needs and to grow in the performance of the EMPLOYEE's job, the EMPLOYEE needs to know how the City Council Members evaluate the EMPLOYEE's performance.

a. To assure that the EMPLOYEE gets this professional feedback, the City Council shall conduct an evaluation of the EMPLOYEE's performance at least once a year starting in 2025. The City Council and the EMPLOYEE agree that performance evaluations, for the

purpose of mid-course corrections, may occur more frequently during each calendar year.

b. Beginning in January 2025 and in each January thereafter, the EMPLOYEE shall notify the Mayor and City Council in writing of the requirement for an annual evaluation. The EMPLOYEE or Mayor shall work with the City Manager to place the evaluation on the City Council's agenda. The EMPLOYEE and City Council will create goals or other outcome measures that will provide the basis for determining the next year's performance. The City Council and the EMPLOYEE shall define such goals and performance objectives as they mutually determine are necessary for the proper operation of the CITY for the attainment of the City Council's policy objectives, and the City Council and the EMPLOYEE shall further establish a relative priority among those goals and performance objectives. The City Council may request a self-evaluation by the EMPLOYEE and evaluations by Executive Staff and direct reports to the EMPLOYEE to provide a more comprehensive review.

5. Termination. The following provisions apply to any termination of employment by CITY:

a. EMPLOYEE is an at-will employee who may be terminated for any or no reason. In the event EMPLOYEE is terminated for any reason prior to the expiration of the employment term, except as set forth in subsection 6c, CITY shall pay EMPLOYEE a cash payment equivalent to the salary for the remainder of term, as referenced in Section 1, subpart a of this Agreement; provided, however, that such severance payment shall be contingent on EMPLOYEE first executing a release and waiver of all rights to sue the CITY or any CITY employee or official. Termination does not include EMPLOYEE's retirement, death or incapacity due to injury or illness, or resignation unless subsection (e) below applies.

b. CITY shall reimburse EMPLOYEE for the premiums for EMPLOYEE'S medical and dental benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) coverage for the same number of months for which EMPLOYEE is entitled to a lump sum cash payment under subsection 6a, or until EMPLOYEE either secures full-time employment or obtains other health insurance coverage, whichever of these events occurs first. EMPLOYEE shall notify CITY within five (5) days of securing new full-time employment or acquiring health insurance coverage.

c. In the event that EMPLOYEE is terminated for cause (meaning an arrest for a felony or crime involving the abuse of office or position as defined in California Government Code section 53243.4 or documented serious violation of the CITY's harassment policy or other established rule or regulation of CITY), CITY shall have no obligation to pay the severance or provide any other benefits set forth in subsections 6a or 6b. Further, pursuant to Government Code sections 53243 et seq., if EMPLOYEE is convicted of a crime involving an abuse of office, then EMPLOYEE shall reimburse CITY for any paid salary leave during the investigation, for funds for the legal criminal defense of EMPLOYEE, and any severance payments.

d. EMPLOYEE may be removed only by a vote of at least three members of the City Council, and may not be removed from office within 90 days of any general municipal election held in the City at which election a member of the Council is elected.

e. In the event the City Council formally asks the EMPLOYEE to resign, then EMPLOYEE shall be entitled to resign, and still receive the severance benefits, provided EMPLOYEE agrees to the release and waiver requirements of all rights to sue the CITY or any CITY employee or official, as provided in subsection 6a above.

6. Resignation. If EMPLOYEE voluntarily resigns from the position of City Attorney, EMPLOYEE will provide CITY with a minimum of sixty (60) days' written notice. During the period subsequent to the Notice of Resignation, EMPLOYEE shall continue to discharge duties as City Attorney.

7. Notices. Any notices required by this Agreement shall be either given in person or by first class mail with the postage prepaid and addressed as follows:

CITY: Mayor
City of San Pablo
City Hall
1000 Gateway Avenue
San Pablo, CA 94806

EMPLOYEE: Brian P. Hickey
At then-current address on file with CITY.

8. Indemnification. EMPLOYEE shall be considered and treated as an employee of the City. CITY shall defend, indemnify, and hold EMPLOYEE harmless for any acts and omissions arising out of or connected in any way with EMPLOYEE'S performance of job duties, and Government Code section 825 shall specifically be deemed applicable. CITY may conduct such defense reserving the rights of CITY not to pay the judgment, compromise or settlement until it is established that the injury arose out of the act or omission occurring with the scope of EMPLOYEE's employment with the CITY. CITY is required to pay the judgment, compromise or settlement only if established that the injury arose out of act or omission occurring in the scope of EMPLOYEE'S employment as an employee of CITY. Nothing in this Agreement authorizes or obligates CITY to pay that part of any claim or judgment that is for punitive or exemplary damages, which may only be authorized pursuant to Government Code section 825 et

seq.

9. Miscellaneous Provisions.

a. This Agreement contains the entire agreement between the parties hereto. No promise, representation, warranty, or covenant not included in the agreement has been or is relied on by any party hereto.

b. The failure of any party to enforce against another a provision of this Agreement shall not constitute a waiver of that party's right to enforce such a provision at a later time and shall not serve to vary the terms of this Agreement.

c. This Agreement shall be binding upon and inure, where applicable, to the benefit of the heirs at law and executor of EMPLOYEE.

d. This Agreement shall not be assigned or subcontracted by either party without the consent of the other party. Consent may be denied for any reason or no reason at all.

e. Should any provision, section, or subsection of this Agreement be declared invalid or unenforceable by any court of competent jurisdiction, such ruling shall not affect any other provision hereof, and the unaffected provisions shall remain in full force and effect.

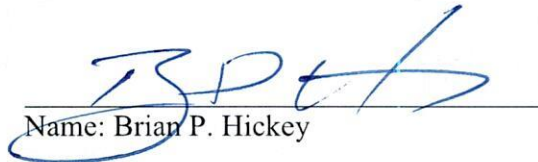
f. This Agreement may be amended only in writing.

g. This Agreement shall be governed by the laws of the State of California with venue for any action in state court in Contra Costa County, unless the parties agree otherwise.

The parties have executed this Agreement the day and year set forth below.

EMPLOYEE:

DATED: October 1, 2023

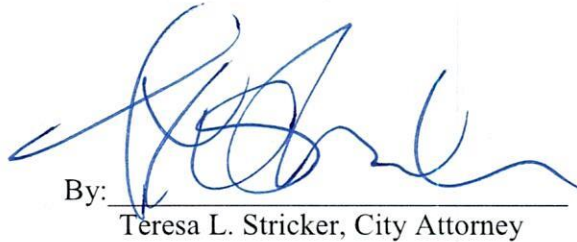

Name: Brian P. Hickey

CITY OF SAN PABLO,
A general law city

DATED: Oct 12, 2023

By: 
Abel Pineda, Mayor

APPROVED AS TO FORM:


By: _____
Teresa L. Stricker, City Attorney

ATTEST:

By: 
Dorothy Gantt, City Clerk

ATTACHMENT:

Exhibit A – Resolution 2023-118

RESOLUTION NO. 2023-118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO APPROVING AN AMENDED BENEFITS AND COMPENSATION SCHEDULE FOR THE CONTRACT EMPLOYEES GROUP

WHEREAS, The City of San Pablo's Contract Employees group consists of the following positions:

- City Manager
- City Attorney

WHEREAS, the above positions are considered a group because they share similarities in job duties or are otherwise a logical work-related grouping;

WHEREAS, the City Council of the City of San Pablo approved a Schedule of Benefits for Contract Employees in Resolution 2022-111 and wishes to correct a clerical error in the Sick Leave accrual rate;

WHEREAS, by Resolution 2023-106, the City of San Pablo executed Side-Letters/Modifications to Memoranda of Understanding with represented groups, and Terms of Employment and Schedule of Benefits for unrepresented and contract employees, to include "designated person" (meaning a person identified by the employee at the time the employee requests paid sick days) to the definition of family member, and provide for employees on a 8/75 or 9/75 work schedule, where one full workweek for an employee is less than five (5) work days, such employee may take one additional day of bereavement leave for the death of an immediate family member for a total of five (5) days, with the employee taking the additional day unpaid or using accrued paid leave; and

WHEREAS, The City of San Pablo desires to memorialize in a single Resolution the schedule of benefits and compensation currently provided to the Contract Employees Group.

THEREFORE, BE IT RESOLVED by the City Council of the City of San Pablo:

SECTION 1. PURPOSE AND APPLICATION

The purpose of this Resolution is to set forth the benefits and additional compensation for Contract employees of the City of San Pablo ("City"). This Resolution is not intended to amend or alter the current benefits provided to the Contract Employees group. The City Council retains all rights and authority to amend, reduce, or eliminate benefits and additional compensation in its sole and absolute discretion.

This Resolution shall be applicable to the following Contract Employees:

- A. City Manager
- B. City Attorney

SECTION 2. HEALTH BENEFITS

Employees shall receive medical and dental benefits for themselves and dependent family members, as follows:

A. Medical Insurance

The City is a participating employer in the Public Employees' Medical and Hospital Care Act (PEMHCA), the medical insurance program sponsored by CalPERS. Upon the City's adoption of the amendment to the City's contract with CalPERS for PEMHCA participation, the maximum City contribution per month for medical insurance for each active employee and each qualifying annuitant enrolled in CalPERS health insurance through the City shall be the minimum employer contribution as determined by CalPERS.

B. Flexible Benefit Plan

The City maintains a Flexible Benefit Plan that constitutes a cafeteria plan within the meaning of Section 125 of the Internal Revenue Code. The Flexible Benefit Plan allows active employees to pay for actual medical plan premiums and other qualified expenses on a pre-tax basis.

Effective July 1, 2019, the City will contribute, on behalf of each eligible employee enrolled in City-provided health insurance, solely for the purchase of medical insurance coverage that is affordable and provides minimum essential coverage as defined by the Affordable Care Act, an amount up to:

- Ninety percent (90%) of the premium for the employee's selected, City-provided group health insurance plan at the selected level of coverage up to the amount equal to ninety percent (90%) of the selected level of coverage for the Kaiser plan; which includes the City's minimum, monthly employer contribution required for participation in PEMCHA paid separately by the City to CalPERS.

C. In Lieu or Dual Medical Coverage

In the event employee elects to waive participation in City-provided health insurance due to coverage in a group health plan from another source (e.g. spouse, parent, etc.), employee shall receive the appropriate in-lieu amount:

\$500.00 – Family coverage or two-party coverage

\$350.00 – Single party coverage

The employee may receive the in-lieu amount in cash (taxable) or they may elect to contribute the in-lieu amount (not taxable) towards the 457 ICMA Deferred Compensation Plan as a supplemental retirement benefit.

To elect this option, employee shall demonstrate that they are adequately covered at the applicable level of coverage by another source of group health insurance. If an employee loses primary coverage, they shall be covered by the City health plan as soon as possible, in accordance with CalPERS regulations and this schedule of benefits.

The City's obligation to pay the in lieu amount may be conditioned upon the employee providing reasonable evidence and attestation that the employee and all individuals in the employee's expected tax family have alternate minimum essential coverage for every plan year in which the employee receives the in lieu amount, in accordance with IRS requirements for an eligible opt out program.

The City shall not pay the in lieu amount if the City knows or has reason to know that the employee or individual in the employee's tax family does not have qualifying alternate coverage.

D. Dental Plan

If the employee enrolls in the City-provided dental insurance plan, the City will contribute through the Flexible Benefit Plan the full premium for dental insurance coverage (which includes a 50/50 orthodontia plan with three thousand dollars (\$3,000) maximum per person) for employee and eligible dependent family members.

E. Reimbursable Expenses and Flexible Spending Account

The City provides a Flexible Spending Account (FSA), which allows employee to contribute a portion of regular earnings to pay for qualified dependent care and medical expenses before earnings are subject to payroll taxes, in accordance with IRS regulations.

The City will contribute to the Flexible Spending Account the amounts listed below based on the assumption that the following arrangement falls within the IRS guidelines:

\$225.00 for 7/1/22 through 12/31/22
\$450.00 for 1/1/23 through 12/31/23
\$450.00 for 1/1/24 through 12/31/24
\$450.00 for 1/1/25 through 12/31/25
\$450.00 for 1/1/26 through 12/31/26
\$225.00 for 1/1/27 through 6/30/27

In accordance with IRS regulations, any unused amounts contributed to the FSA shall not be reimbursed to employee should employee fail to submit proof of eligible reimbursable expenses during a calendar year. However, up to five hundred dollars (\$500) of unused amounts remaining at the end of a plan year in a health FSA may be paid or reimbursed to plan participants for qualified medical expenses incurred during the following plan year. All other unused amounts in an employee's FSA cannot be rolled over to the next calendar year.

F. Proration

If the employee is authorized to work at a reduced schedule (at least thirty (30) hours per week or eighty percent (80%) of the normal work schedule) the employee shall receive prorated benefits, including vacation, sick leave, other leave, medical, dental, and vision premiums, in-lieu payout and other reimbursable expense amounts. In-lieu medical and vision care and other reimbursable expense amount, including the Flexible Spending Account contribution, will be prorated.

G. Health Club

City shall pay fifty percent (50%) of the cost of the City Manager's individual membership in the local YMCA or similar health club, with such payments ceasing on the last day of employment.

SECTION 3. EMPLOYEE ASSISTANCE PROGRAM

The City will provide an Employee Assistance Counseling Program.

SECTION 4. DISABILITY AND LIFE INSURANCE

The City shall continue to provide a long-term disability benefit for employee covering two-thirds (2/3) of monthly salary up to a maximum amount specified by the plan, after a thirty (30) day qualification period.

The City shall pay premiums for a two hundred thousand dollars (\$200,000) life insurance policy for employee. An additional Life Insurance policy shall be made available to dependents of the employee, as mandated by the existing Life Insurance Program, at the total expense of the employee.

SECTION 5. VACATION

A. Accrual

Employee shall accrue vacation at the rate of one hundred fifty (150) hours per year.

B. Use of Vacation

The City Manager and City Attorney, due to the needs of the service, may be unable to utilize said accrued vacation. Therefore, the City Manager and City Attorney shall be permitted to carry over any unused vacation.

In the event one or more municipal holidays fall within an annual vacation leave, such holidays shall not be charged as vacation leave, and the vacation shall be extended accordingly.

Should employee terminate employment, Employee shall be paid in a lump sum for all accrued vacation leave earned prior to the effective date of termination.

Should employee become ill or injured during his vacation, he may request that the time be deducted from his earned sick leave and the vacation period be re-scheduled at a later date, or be extended.

C. Vacation Cash Out

Employees hired before July 1, 2017, with a minimum vacation accrual balance of one hundred fifty (150) hours may elect to convert between one (1) work day and one (1) work week (in accordance with the employee's assigned work schedule) of accrued, unused vacation leave to cash.

Employees hired on or after July 1, 2017 with a minimum of ten (10) years of service with the City of San Pablo, and with a minimum vacation accrual balance of one hundred fifty (150) hours, may elect to convert between one (1) work day and one (1) work week (in accordance with the employee's assigned work schedule) of accrued, unused vacation leave to cash.

Conversion shall be subject to an employee's irrevocable election, in December of the year prior to the cash-out, of hours to be accrued in the following year. In compliance with IRS code, employees must choose by the last business day of each year to elect or opt out of pay in lieu of vacation time off for the following year by using the Request for Pay in Lieu of Vacation Leave form. Payment of converted hours shall occur in the first pay period of the following fiscal year. Employees who did not elect pay in lieu of vacation time off by the last business day of the prior year will not be able to cash out any vacation in the following calendar year. All vacation cash outs will be taxed at the supplemental tax rate in accordance with IRS code.

If insufficient vacation hours exist to meet the annual pay in lieu election, only the remaining available elected vacation hours will be paid out.

SECTION 6. SICK LEAVE

A. Accrual

Sick Leave with pay shall be accrued at the rate of seven and one-half (7.5) hours per each calendar month of service.

Sick Leave shall not be considered as a privilege which employee may use at their discretion, but shall be allowed only for the purposes listed below.

Unused sick leave shall be accumulated at the rate of ninety (90) hours per year, without a cap on accrual.

Employees who are authorized to work on a reduced work schedule shall accrue sick leave in the amount proportionate to the ratio of scheduled work hours of the standard workweek.

Employee shall be granted six days (45 hours) of sick leave upon commencement of service.

B. Usage

Employee shall be allowed sick leave pay on the following basis:

1. Absence from duty due to exposure to a contagious disease where a doctor requires quarantine;
2. Diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or any of the following of the employee's family members: child of any age or dependency status; parent; parent-in-law; spouse; registered domestic partner; grandparent; grandchildren; or sibling; or Designated Person. For the purpose of this section, "Designated Person" means a person identified by the employee at the time the employee requests paid sick days. An employer may limit an employee to one designated person per 12-month period for paid sick days;
3. For an employee who is a victim of domestic violence, sexual assault, or stalking to: a) obtain or attempt to obtain a temporary restraining order or other court assistance to help ensure the health safety or welfare of the employee or their child; or b) obtain medical attention or psychological counseling; services from a shelter; program or crisis center; or participate in safety planning or other actions to increase safety; and
4. Absence due to pregnancy disability, childbirth, or a medical condition related to pregnancy.

The right to benefits under the Sick Leave plan shall continue only during the period

that the City employs the employee. This plan will not give any employee the right to be retained in the service of the City or any right of claim to sickness disability benefits after separation from the services of the City, and shall have no cash value at separation.

To request to use sick leave if the need for leave is foreseeable, an employee must give the immediate supervisor reasonable advance written or oral notice. If the need for sick leave is not foreseeable, the employee shall provide written or oral notice of the need for the leave as soon as practicable. If the employee is required to be absent on sick leave for more than one (1) day, the employee must keep the immediate supervisor informed each day as to the date the employee expects to return to work and the purpose of the leave.

Employees must provide a physician's certification for any sick leave absence that occurs after the employee has used twenty-four (24) hours, or three (3) work days' worth of sick leave, whichever is greater, that involves the illness of the employee or family member.

Employees who use paid leave to address issues related to domestic violence, sexual assault or stalking, and who cannot provide advance notice of their need for leave must provide certification of the need for leave within a reasonable time thereafter. In the event an employee is on sick leave for three days or longer, or in the event of family medical leave, excessive use of sick leave, or sick leave abuse, a supervisor may require a written physician's statement confirming that the employee's illness or disability prevents them from attending work, and the anticipated duration of absence. The City may require that an employee undergo a medical examination by a physician chosen by the City after an absence of twenty-four (24) hours, or three (3) work days, whichever is greater, to determine an employee's fitness for work after an absence from work due to a non-job related injury or illness. In the case of absence due to a contagious disease, the employee will be required to present a medical release before s/he may return to work.

Upon depletion of accumulated sick leave, employee may request leave of absence without any pay for a period not to exceed sixty (60) calendar days, subject to the approval of the City Council. If employee is unable to return to work at the end of this period, he must request further unpaid leave, which will be subject to the approval of the City Council. If further leave is granted, employee must notify the City of his intent to return to work, no later than every thirty (30) days. If further leave is not requested, employee may be subject to dismissal.

Time off for employee illness shall be charged to sick leave and not to vacation or administrative leave, unless, and until all available sick leave has been exhausted

SECTION 7. BEREAVEMENT LEAVE

Upon death of an immediate family member (spouse or registered domestic partner and

children/stepchildren (including foster children, legal wards, or children to whom the employee stands in loco parentis, regardless of age or dependency status), parents/stepparents (including a foster parent or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child), siblings, grandparents, parent-in-law, and grandchildren); bereavement leave with pay for a period not to exceed one (1) full workweek, shall be granted. Employee shall inform the City of the name and relationship of the person who died. The City reserves the right to require employees to provide documentation of the death of a family member within thirty (30) calendar days of the first day of the leave.

For employees on the 8/75 or 9/75 work schedule, where one full workweek for an employee is less than five (5) work days, such employee may take one additional day of bereavement leave for the death of an immediate family member for a total of five (5) days). The additional day of bereavement leave shall be unpaid, but employees may use paid vacation, sick leave or compensatory time off concurrently with the additional day. Bereavement leave must be completed within three (3) months of the date of death of the family member, and the bereavement leave need not be taken consecutively.

SECTION 8. FAMILY CARE LEAVE

City shall provide Family Care Leave and Pregnancy Leave in compliance with and in accordance with the Federal Family and Medical Leave Act of 1993 (FMLA), the California Family Rights Act of 1993 (CFRA), and California Pregnancy Disability Leave (PDL) provided under the Fair Employment and Housing Act.

SECTION 9. ADMINISTRATIVE LEAVE

In recognition of the requirement that an employee works in excess of a normal work week, including night meetings of the City Council, various Boards and Commissions and ad hoc committees, one hundred twelve and one-half (112.50) hours of administrative leave shall be granted at the beginning of the next fiscal year, and each fiscal year thereafter.

However, employees are not permitted to amass more than one hundred twelve and one-half (112.50) hours of unused Administrative Leave at any one time. Any unused Administrative Leave as of June 30th which carries over into the next fiscal year will result in an equal reduction in the next year's allocation of Administrative Leave, in accordance with the cap of 112.50 hours.

Employees who are authorized to work on a reduced work schedule shall accrue administrative leave in the prorated amount proportionate to the ratio of scheduled work hours of the standard workweek.

If, at the time of separation from the City, employee has unused Administrative Leave in their bank, they will be paid for all unused Administrative Leave at their rate of pay at the

time of separation.

SECTION 10. HOLIDAYS

The following guaranteed Holidays shall be observed by the City:

January 1 - New Year's Day
3rd Monday in January - Martin Luther King's Birthday
3rd Monday in February - Washington's Birthday
Last Monday in May - known as Memorial Day
June 19 - Juneteenth
July 4 - Independence Day
1st Monday in September - known as Labor Day
Second Monday in October - Known as Columbus Day
November 11 - Veterans' Day
4th Thursday in November - Known as Thanksgiving Day
Day after Thanksgiving Day
December 24 - Day before Christmas Day (Christmas Eve Day)
December 25 - Christmas Day
December 31 - New Year's Eve

The value of each holiday shall be 9.375 hours.

In honor of Cesar Chavez, one floating holiday of 9.375 hours shall be credited to accumulated vacation time on each July 1st.

Should an observed holiday falls on a Friday, City offices will be closed on a Thursday.

The City reserves the right to close City department offices approximately between the Christmas and New Year holidays, with exact dates of the closure to be determined by the City Manager. Employees in departments affected by the closure may use vacation, Compensatory Time Off, Administrative Leave, or unpaid leave on the non-holiday closure days on which they are scheduled to work.

The holiday closure schedule will be provided to employees by October 1st for the following calendar year.

SECTION 11. RETIREMENT AND SURVIVOR BENEFITS

A. PERS Contributions

Non-Safety Tier One Pension:

1. Formula: The City shall provide the full formula of two and one half percent (2.5%) at age 55 calculated on the single highest year for local miscellaneous members considered "classic" members of CalPERS.

2. Member Contribution: Employee, in Non-Safety Tier One Pension, shall pay the statutory member contribution required by CalPERS, in addition to the cost share requirement described below.
3. Employee Cost Sharing: Employee, in Non-Safety Tier One pension, is required to pay two and three-tenths percent (2.3%) of reportable compensation toward the employer contribution for pension in accordance with Government Code Section 20516(a)-Employees Sharing Cost of Additional Benefits) for the pension formula enhancement to 2.5% at 55.
4. Survivor Benefits. The City shall provide the Third Level of 1959 Survivor's Benefit for Non-Safety Tier One and Tier Two employees, a benefit for survivors of the employee who is actively employed at the time of death.

B. Retiree Health Savings Account

1. Employees, who retire under service retirement as regulated by the Public Employees' Retirement System, will receive medical coverage as specified by this section. The City shall pay the minimum monthly employer contribution as determined by CalPERS and required under Public Employees Medical and Hospital Care Act (PEMHCA) on behalf of each qualifying annuitant enrolled in CalPERS health insurance through the City.
2. Monthly Supplemental Allowance for Qualifying Employees:

In addition to paying on behalf of employee the minimum monthly employer PEMHCA contribution as determined by CalPERS, the City shall provide a monthly supplemental allowance to a Retiree Health Savings Account (RHSA) to employee if he retires under service retirement as regulated by the Public Employees Retirement System, in the following amount:

- a. The monthly supplemental allowance is limited to the cost of medical and dental plans for the level of coverage selected by the annuitant (1-party, 2-party, or family) which the employee is enrolled in at the time of retirement, less the City required minimum employer contribution paid directly to CalPERS on behalf of the qualifying annuitant.
- b. The allowance shall be increased if the cost of such plans increase. The annuitant shall receive only the amount for the plan and level of coverage selected at the time of retirement. Although nothing in this section shall prevent retiree from changing health plans, any such change in health plans shall not result in a higher monthly supplemental allowance.
- c. In the event that the qualified annuitant enrolls in a lower level of coverage within a City health insurance plan, the City's contribution shall be reduced to the cost of the lower level of coverage.

To be eligible for the monthly supplemental allowance, retiree must meet the following conditions:

- a. The City Manager shall have served with the City for at least five (5) consecutive years immediately prior to retirement, and must retire directly (within one hundred twenty (120) days) following separation from City.
- b. The City Attorney shall have served with the City for at least ten (10) consecutive years immediately prior to retirement, and must retire directly (within one hundred twenty (120) days) following separation from City.
- c. The employee shall have been enrolled in the City's medical and dental plans, for one (1) full year prior to retirement.

The City shall pay the monthly supplemental allowance for life of retiree, or if retiree has died, to the retiree's spouse or registered domestic partner. For these purposes, the retiree's spouse/registered domestic partner is defined as the individual that the retiree is married to or in a registered domestic partnership with at the time of application for retirement, unless subsequently divorced or partnership dissolved. It shall be the responsibility of the retiree to notify the City for any marital status change (e.g. death of a spouse, divorce, legal separation, etc.) at which point coverage for the spouse or registered domestic partner shall cease. The City reserves the right to collect the amount over and above the monthly supplemental allowance issued to the retiree, due to failure on the part of the retiree to notify the City regarding the change in marital status. The City shall collect said amounts under the normal collection process which may include utilization of a collection agency and/or Small Claims Court, or any legal administrative remedy. If the retiree remarries, the monthly supplemental allowance will not increase to include the cost of the new spouse, registered domestic partner, or family.

The City shall pay the Monthly Supplemental Allowance to the HRA for the annuitant until any of the following conditions occur:

- a. Retiree receives medical coverage from another source (e.g. other employment, spouse), or
- b. Retiree dies.

The City's obligation to pay the monthly supplemental allowance is conditioned upon a signed declaration under penalty of perjury, by the retiree and/or spouse or registered domestic partner on a form provided by CalPERS once each year, that confirms the retiree's and/or spouse or registered domestic partner is not enrolled in medical or health insurance coverage or in-lieu payments from another source during that same time period.

To receive the monthly supplemental allowance for the calendar year of retirement, the retiree must file an initial eligibility form with the City at the time and in the manner prescribed by the City. For each subsequent calendar year,

the retiree must file an eligibility form with the City by November 30th of the preceding year or at a later date prescribed by the City. City will terminate the monthly supplemental allowance until such time the declaration is received. The supplemental allowance shall resume on a prorated basis upon receipt of the required declaration. No retroactive payments shall be made.

Should retiree lose coverage from the other source (employment, spouse), the monthly supplemental allowance will resume upon receipt of the required declaration, and will continue only until any of the above listed events (a-b) occur.

The Monthly Supplemental Allowance is subject to applicable Federal and State Income Tax regulations.

SECTION 12. SALARY, COST OF LIVING INCREASES AND LONGEVITY

- A. Salary: As of June 20, 2022, salaries for the Contract Employees Group are as follows:

City Manager: \$274,164 annual salary, effective July 1, 2021

City Attorney: \$250,000 annual salary, effective April 19, 2022, with eligibility for a cost-of-living adjustment on July 1, 2023.

- B. COLAs: Effective July 1, 2022, there will be a five percent (5%) cost of living increase for all classifications covered by this resolution, excluding the City Attorney hired on April 19, 2022, who by employment agreement is not eligible for a cost of living adjustment until July 1, 2023.

Effective July 1, 2023, there will be a five percent (5%) cost of living increase for all classifications covered by this resolution.

Effective July 1, 2024, there will be a two percent (2%) cost of living increase for all classifications covered by this resolution.

Effective January 1, 2025, there will be a two percent (2%) cost of living increase for all classifications covered by this resolution.

Effective July 1, 2025, there will be a two percent (2%) cost of living increase for all classifications covered by this resolution.

Effective July 1, 2026, there will be a two percent (2%) cost of living increase for all classifications covered by this resolution.

- C. Longevity Pay: Qualifying employees shall receive longevity pay based on years of service with the City, as follows:

1. Upon completion of fifteen (15) years of continuous service with the City of San Pablo, the employees shall receive three percent (3%) of base salary as a longevity incentive;
2. Upon completion of twenty (20) years of continuous service with the City of San Pablo, the employees shall receive an additional two percent (2%) of base salary for a total of five percent (5%) base salary as a longevity incentive; and
3. Upon completion of twenty-five (25) years of continuous service with the City of San Pablo, the employees shall receive additional two percent (2%) of base salary for a total of seven percent (7%) base salary as a longevity incentive.

SECTION 13. CELL PHONE STIPEND

Employees shall receive a monthly cell phone stipend in the amounts set forth in the City's cell phone stipend policy.

SECTION 14. DEFERRED COMPENSATION

The City will pay an annual contribution to the employee's ICMA/Mission Square 457 deferred compensation account, as determined by the employee's employment agreement with the City, not to exceed the total maximum annual contribution established by IRS regulations.

SECTION 15. AUTO ALLOWANCE

The City will pay the City Attorney an auto allowance of up to \$4,200/year (\$350/month).

The City will pay the City Manager as auto allowance of up to \$6,000/year (\$500/month).

SECTION 16. INFORMATION TECHNOLOGY ALLOWANCE

Employees will be eligible for an allowance of \$750 per year for the purchase of information technology.

SECTION 17. BUSINESS EXPENSES / PROFESSIONAL DEVELOPMENT AND TRAINING

The City will pay for City related business expenses, including all direct costs associated with memberships in professional associations and attendance at conferences, within approved Department budget and per diem parameters in the City's Travel Expense Policy, up to an amount determined by the employee's employment agreement with the City.

This resolution is effective on July 17, 2023, and supersedes the schedule of benefits attached to the City Attorney and City Manager employment agreements.

* * * * *

ADOPTED this 17TH day of July 2023, by the following votes:

AYES:	COUNCILMEMBERS:	Xavier, Pabon-Alvarado, Ponce and Pineda
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	Cruz
ABSTAIN:	COUNCILMEMBERS:	None

ATTEST:

APPROVED:

/s/ Dorothy Gantt
Dorothy Gantt, City Clerk

/s/ Abel Pineda
Abel Pineda, Mayor