

**RESOLUTION NO. 16-33**

**RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF GROVER BEACH, CALIFORNIA, AMENDING THE AGREEMENT  
BETWEEN THE CITY AND THE EXECUTIVE MANAGEMENT GROUP  
BY ADOPTING THE SIDE LETTER OF AGREEMENT**

**WHEREAS**, on September 21, 2015, the City Council of Grover Beach adopted Resolution No. 15-21 for the purpose of adopting the Agreement; and

**WHEREAS**, subsequent to the adoption of the Agreement, the City of Grover Beach and the Executive Management Group agreed to changes to the Agreement that are reflected in a Side Letter of Agreement between the City of Grover Beach and the Executive Management Group (Exhibit A). The Side Letter of Agreement pertains to CalPERS cost sharing and salary adjustments.

**NOW, THEREFORE, BE IT RESOLVED** the City and the Group agree as follows:

1. The Side Letter of agreement attached hereto as Exhibit A is approved and adopted; and
2. The Side Letter of agreement amends the Agreement between the City of Grover Beach and the Executive Management Group.

On motion by Council Member Shah, second by Council Member Nicolls, and on the following roll-call vote, to wit

AYES: Council Members Bright, Nicolls, Shah, Mayor Pro Tem Lee, and Mayor Shoals.  
NOES: Council Members – None.  
ABSENT: Council Members – None.  
ABSTAIN: Council Members – None.

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Regular meeting of the City Council of the City of Grover Beach, California this 2<sup>nd</sup> day of May, 2016.

  
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JOHN P. SHOALS, MAYOR

Attest:

  
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DONNA L. McMAHON, CITY CLERK

**SIDE LETTER AGREEMENT AMENDING THE  
2015-2018 AGREEMENT  
BETWEEN THE CITY OF GROVER BEACH AND  
THE EXECUTIVE MANAGEMENT GROUP**

On September 21, 2015, the City of Grover Beach (the "City") and the Executive Management Group (the "Group" and together with the City, the "Parties") executed an Employment Agreement for the period of September 21, 2015 through June 30, 2018; and

Included in the agreement is a provision for the Group's classic safety members to share in the City's costs of providing California Public Employment Retirement System (CalPERS) benefits; and

Each sworn Classic Member employee shall pay the full portion of the employee's retirement contribution under CalPERS, for a total of 10% effective December 21, 2015, 11% effective on or after July 1, 2016, and 12% effective July 1, 2017, or as soon thereafter as administratively possible which shall be in accordance with Section 414(h)(2) of the Internal Revenue Code whereby the employee contributions shall be tax deferred; and

Upon approval of this Side Letter Agreement, Tier I Sworn Classic Members shall receive an additional salary adjustment in addition to the scheduled COLA this adjustment will be one percent (1%) pay increase effective December 21, 2015, an additional salary adjustment of one percent (1%) pay increase effective July 1, 2016, and an additional salary adjustment of one percent (1%) pay increase on July 1, 2017; and

As part of this Side Letter, the Parties have agreed that the remaining terms of the agreement shall remain in full force and effect except as set forth in this Side Letter.

The City and the Group agree as follows:

Section 17.a RETIREMENT, shall be modified to include language as follows:

Retirement for Public Safety Personnel: The City participates in the Public Employees Retirement System (hereinafter "PERS") and the Social Security Program. Each employee shall pay his/her retirement contribution. In addition, employees will pay the employee contribution for Social Security. The City shall pay the employer's retirement contribution, as well as the employer's contribution for Social Security. The City's PERS retirement plans are as follows:

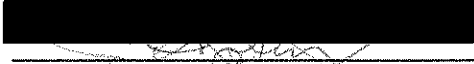
- a. Classic Member - The PERS Local Safety 3% at Age 55 Modified Formula Retirement Plan with Section 20042 (One-Year Final Compensation) and Section 21024 (Military Service Credit as Public Service) is provided for sworn employees.
  1. Each sworn Classic Member employee shall pay the full portion of the employee's retirement contribution under CalPERS, for a total of 10% effective December 21, 2015, 11% effective July 1, 2016, and 12% effective July 1, 2017 or as soon thereafter as administratively possible.

2. Upon approval of this Resolution, Tier I Sworn Classic Members shall receive an additional salary adjustment in addition to the scheduled COLA this adjustment will be one percent (1%) pay increase effective December 21, 2015, an additional salary adjustment of one percent (1%) pay increase effective July 1, 2016, and an additional salary adjustment of one percent (1%) pay increase on July 1, 2017.

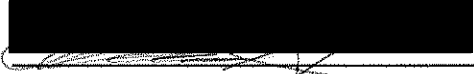
Executive Management Group

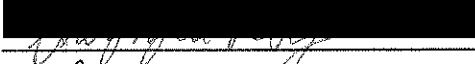
City of Grover Beach

  
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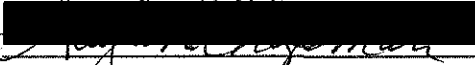
  
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*[Handwritten signatures and notes in the left margin]*