

# Capitola City Council

## Agenda Report



**Meeting:** December 11, 2025

**From:** Administrative Services Department

**Subject:** Temporary/Hourly Employee Pay Schedule

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**Recommended Action:** Adopt a resolution amending the temporary/hourly employee pay schedule.

**Background:** The City of Capitola employs temporary/hourly employees to provide services for the community. Most of these positions are within the Community Services and Recreation Department, though other City departments also occasionally employ temporary/hourly workers. Temporary employees work either part-time or on a seasonal basis for a limited number of hours per fiscal year and are not regular City employees. Temporary employees are not represented by any union, are not subject to any existing memoranda of understanding (MOU) and are not eligible for City healthcare or pension benefits. For this reason, any wage increases are enacted by City Council action separate from the adoption of MOUs for other City bargaining groups.

**Discussion:** The City Council last adjusted the temporary pay schedule in January 2025 to maintain compliance with California minimum wage requirements. The California minimum wage is increasing to \$16.90 per hour from \$16.50 per hour on January 1, 2026. In order to maintain compliance with the California minimum wage, staff recommends increasing the temporary/hourly pay schedule by 2.49% which is the San Francisco Bay Area Consumer Price Index (CPI) from Aug. 2024 – Aug. 2025. It should be noted that October CPI data is currently unavailable due to the federal government shutdown.

The proposed 2.49% increase will also keep the City's temporary/hourly pay schedule competitive with other public agencies within the region.

No classifications are being added to the schedule. If approved, the salary schedule (Attachment 2) will take effect on January 1, 2026.

**Fiscal Impact:** The 2.49% increase to the temporary/hourly employee pay schedule was anticipated when preparing for the Fiscal Year 2025-26 Budget; the adopted budget accounts for this increase.

### **Attachments:**

1. Resolution
2. Proposed pay schedule

**Report Prepared By:** Jim Malberg, Administrative Services Director

**Reviewed By:** Julia Gautho, City Clerk;

**Approved By:** Jamie Goldstein, City Manager