



City of Sunnyvale

Notice and Agenda City Council

Friday, September 1, 2017

1:00 PM

Council Chambers, City Hall, 456 W. Olive
Ave., Sunnyvale, CA 94086

Special Meeting

1 Call to Order in the Council Chambers (Open to the Public)

2 Roll Call

3 Closed Session Report from August 29, 2017

4 Public Comment (On Special Meeting Item Only)

5 Public Hearing / General Business

[17-0734](#)

City Manager Recruitment Plan

Recommendation: Discuss the process and timelines for the City Manager Recruitment; authorize the Director of Human Resources to solicit Request for Qualifications from public sector executive recruitment firms; and provide direction: 1) regarding the involvement of the Council Subcommittee on Performance Evaluation Tools and Recruitment Process for the City Attorney and City Manager, 2) agendaizing a Study Session on the roles and responsibilities of City Council and City Manager, and 3) regarding executive compensation for City Manager and department directors.

6 Adjourn Special Meeting

NOTICE TO THE PUBLIC

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questions regarding the agenda.

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Notification prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.160 (b) (1))



City of Sunnyvale

Agenda Item

17-0734

Agenda Date: 9/1/2017

SUBJECT

City Manager Recruitment Plan

RECOMMENDATION

Discuss the process and timelines for the City Manager Recruitment; authorize the Director of Human Resources to solicit Request for Qualifications from public sector executive recruitment firms; and provide direction: 1) regarding the involvement of the Council Subcommittee on Performance Evaluation Tools and Recruitment Process for the City Attorney and City Manager, 2) agendaizing a Study Session on the roles and responsibilities of City Council and City Manager, and 3) regarding executive compensation for City Manager and department directors.

ATTACHMENTS

1. City Manager Salary Survey
2. City Manager Recruitment Brochure
3. Salary Resolution Excerpt
4. League of California Cities Materials: Relationship Between City Council and City Manager Staff
5. Staff Presentation September 1, 2017

COUNCIL SPECIAL MEETING

1

SEPTEMBER 1, 2017

CITY MANAGER RECRUITMENT

2

REVIEW OF RECRUITMENT PROCESS

Recruitment Process

3

- **Process Overview**
- **Request for Quotations – Recruitment Firm**
- **Sub-Committee Role**
- **Community Input**
- **Tentative Schedule**

Process Overview

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- **City Council review of recruitment process**
- **Request for Quotations**
 - Evaluate proposals and track record of recruiting qualified CMs
- **Selection of Recruitment Firm**
 - Brochure development based on job description/qualifications/input from City Councilmembers/and ELT
 - Candidate outreach
 - Candidate assessment and initial screening
 - Presentation of finalist candidates and selection of candidates to interview
 - Candidate interviews/process
 - Candidate selection/background/second interviews/selection/contract negotiations and Open Session approval of contract
- **Identify Community Input for Process**
 - Previous recruitments included community panel interviews
 - Peak Democracy can be a tool to gather input quickly and broadly from the community

Request for Quotations

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- Human Resources Director can start immediately with RFQ to obtain quotes from recruitment firms
- Based on quote and quality of firm make recommendation to full Council for approval
 - Provide authority to Sub-Committee to select firm
 - Target September 12 meeting if full Council would like input
- Process may take 20 weeks once firm selected
(challenging to recruit during holiday months, may have unintended impacts to schedule)

Role of Sub-Committee

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- Determine how frequently Sub-Committee will report to the City Council for transparency about the process
- Determine key milestones that the Sub-Committee can complete to expedite the process: recruiter selection, select CM candidates to advance for interviews, community panelists, contract negotiation terms, etc.
- Review RFQ's and make recommendation to Council
 - Recommendation: provide authority to sub-committee to approve recruitment firm and CM will execute contract
- Determine Community Input
 - Solicit volunteers to serve on panel from following:
 - ✦ Community & Business leaders
 - Application for participation in process was completed and commitment to hold dates on calendar for interview process
 - Recommendation: Sub-committee recommended panel members to full Council
 - ✦ Option: Sub-committee selects community and business leaders

Tentative Schedule

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| Action | Effective Date | Alternative Dates Sub-Committee Authority |
|---|------------------------------|--|
| Request for Quotations and Council Action on CM Salary Range | September 14, 2017 | September 14, 2017 |
| Sub-Committee to Review Quotations | September 15, 2017 | September 15, 2017 |
| Council or Sub-Committee confirms Recruitment Firm | September 26, 2017 | September 15, 2017 |
| Develop and Finalize Recruitment Brochure | October 10, 2017 | September 29, 2017 |
| Applications for Business Leader and Community Member Interview Panelists Posted | October 16-November 5, 2017 | October 2 -23, 2017 |
| City Manager Position Posted | October 16-November 10, 2017 | October 2 – 30, 2017 |
| Full Council OR Sub-Committee Reviews Applicants and Selects Candidates for the Interview Process (and submitted to City Council for Approval) | November 14, 2017 | November 3, 2017 |
| Full Council OR Sub-Committee Reviews Business Leader and Community Member Interview Panelists (and submitted to City Council for Approval) | November 14, 2017 | November 3, 2017 |
| Interviews with Candidates (Multiple Panels) | November 27, 2017 (week of) | November 13, 2017 (week of) |
| Final Interviews with City Council | December 11, 2017 | November 28, 2017 |
| Reference Checks Completed | January 8, 2018 | December 11, 2017 |
| Closed Session – Council discusses offer for selected candidate | January 23, 2018 | December 12, 2017 |
| Job Offer and Negotiations | January 24, 2018 (to begin) | December 13, 2017 (to begin) |
| Council Meeting to Approval City Manager Contract | February 6, 2018 | January 9, 2018 |
| Start Date | March 12, 2018 | February 12, 2018 |

Depending on Subcommittee role, timeline can be reduced as identified above

Preparing the Organization For a New City Manager

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- 1. GOVERNANCE: ROLE OF CITY COUNCIL**
- 2. EXECUTIVE COMPENSATION STRATEGY**

League of California Cities

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- **Comments from John Nagel, City Attorney**
- **Resource materials:**
 - *Relationship Between City Council and City Manager Staff*

Desirable Employer

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- City Council behavior can make a difference in the recruitment and quality of City Manager candidates
- City Manager candidates will likely view past City Council meetings, seek input from executive staff and City Manager, and ask around about workplace satisfaction, Council relations, and community issues
- Behavior impacts all areas of organization and, more importantly, ability to attract candidates

Next Steps

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- Would Council like a study session to discuss governance issues, roles & responsibilities City Council and City Manager, etc.?
- If yes, Mayor to schedule session
- If no, maintain status quo

EXECUTIVE COMPENSATION REVIEW

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CITY MANAGER COMPENSATION

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KEY TRENDS

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- Salary Range requires updating – candidates will want to know where they fit in the range and opportunity for wage growth
- Likely your next City Manager is employed and you will need a recruiter to convince s/he to apply and show interest. Good City Managers are employed and highly sought after...it is very competitive.
- City Manager salary is below market: Has not been corrected for 9 years and not kept up with internal COLAs granted. This is a matter of public record.
- CalPERS Tier 2 – Seasoned City Managers are likely in Tier 1, making it more difficult to recruit

City Manager Comparable Data

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Compensation Survey - City Manager California Large to Mid-Size Cities

Information as of June 2017
Updated 8/25/17

| | All Annual - Based on Current Incumbents | | | | | | | | | | | | | | |
|--|--|---------------|-----------------|--------------------------|------------------------------------|----------------------------------|-----------------|--|-------------------------------|-----------------------|-------|--------------------|--|--|--|
| Agency | Salary | Car Allowance | Other Allowance | Total \$: Salary & Cash | City Paid Deferred Compensation | Total \$: Deferred Compensation | CalPERS Formula | Employee Paid PERS (include paying for City) | Total \$: Employee Paid PERS | Max City Paid Medical | Bonus | TOTAL COMPENSATION | Pension at Retirement - % of Final Comp ⁽¹⁾ | Pension at Retirement - Estimated Amt ⁽¹⁾ | |
| Carlsbad | \$303,160 | \$12,000 | \$0 | \$315,160 | \$24,000 | \$24,000 | 2% @ 60 | 7.00% | (\$21,221) | \$17,664 | \$0 | \$335,603 | 60.00% | \$181,896 | |
| Fremont | \$304,448 | \$0 | \$0 | \$304,448 | 401(a): 2%+\$11,344 + 457: \$5,400 | \$22,833 | 2.5% @ 55 | 8.00% | (\$24,356) | \$24,362 | \$0 | \$327,286 | 75.00% | \$228,336 | |
| Mountain View ⁽²⁾ | \$278,334 | \$0 | \$600 | \$278,934 | 2% | \$5,567 | 2.7% @ 55 | 11.50% | (\$32,008) | \$33,457 | \$0 | \$285,950 | 81.00% | \$225,451 | |
| Palo Alto | \$298,542 | \$7,200 | \$0 | \$305,742 | \$54,000 | \$54,000 | 2.7% @ 55 | 8.50% | (\$25,376) | \$24,096 | \$0 | \$358,462 | 81.00% | \$241,819 | |
| Redwood City ⁽³⁾ | \$266,412 | \$4,800 | \$0 | \$271,212 | 2% | \$5,328 | 2% @ 60 | 14.00% | (\$37,298) | \$20,594 | \$0 | \$259,836 | 60.00% | \$159,847 | |
| San Mateo | \$255,938 | \$4,500 | \$0 | \$260,438 | none | \$0 | 2% @ 55 | 7.50% | (\$19,195) | \$20,594 | \$0 | \$261,837 | 67.86% | \$173,680 | |
| Santa Clara ⁽³⁾ | \$372,886 | \$6,600 | \$45,000 | \$424,486 | 401(a): 5% + 457: \$18,000 | \$36,644 | 2.7% @ 55 | 8.00% | (\$29,831) | \$33,143 | \$0 | \$464,442 | 81.00% | \$302,038 | |
| Torrance | \$268,380 | \$5,352 | \$0 | \$273,732 | 0.5% matching | \$1,342 | 2% @ 55 | 0.00% | \$0 | \$12,252 | \$0 | \$287,326 | 67.86% | \$182,123 | |
| Average | \$293,513 | \$5,057 | \$5,700 | \$304,269 | | \$18,714 | | 8.06% | (\$23,661) | \$23,270 | \$0 | \$322,593 | 71.72% | \$211,893 | |
| | | | | | | | | | | | | | | | |
| Sunnyvale | \$274,713 | \$6,000 | \$0 | \$280,713 | 401(a): 2% + 457: \$17,500 | \$22,994 | 2% @ 60 | 4.00% | (\$10,989) | \$33,143 | \$0 | \$325,861 | 60.00% | \$164,828 | |
| Sunnyvale above/(below) average - in \$: | (\$18,800) | \$944 | (\$5,700) | (\$23,556) | | \$4,280 | | -4.1% | \$12,672 | \$9,873 | \$0 | \$3,268 | -11.7% | (\$47,071) | |
| Sunnyvale above/(below) average - in %: | -6.4% | 18.7% | -100.0% | -7.7% | | 22.9% | | -50.4% | -53.6% | 42.4% | 0.0% | 1.0% | -16.3% | -22.2% | |

Notes:

- (1) Pension at retirement estimation is based on retiring at age 60, with 30 years of service, and not accounting for EPMC (not all agencies contracted EPMC as compensation).
 (2) Mountain View: Other allowance - Cell phone
 Deanna Santana
 (3) Santa Clara: Other allowance - Housing

City of Sunnyvale Savings for Tier 2 Miscellaneous Employees

Based on June 30, 2015 Valuation

| | Tier 1 | Tier 2 | Annual Pension Cost Savings for City Manager position (Tier 2): |
|----------------------|---------|---------|---|
| Employer Normal Cost | 10.085% | 6.900% | |
| EPMC | 4.000% | 4.000% | \$52,388 |
| Unfunded Liability * | 15.885% | - | |
| | 29.970% | 10.900% | |

* Currently, the City's valuation does not allocate the Unfunded Liability and provide Unfunded Liability Rate by Tiers. Tier 2 and Tier 3 plans have only been in place for about 18 months as of the June 30, 2014 Valuation. Therefore, it is assumed that the unfunded liability related to Tier 2 members is negligible.

City Manager Comparable Data Bay Area Cities

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Compensation Survey - City Manager

California Large to Mid-Size Cities

Information as of June 2017

Updated 8/30/17

| | All Annual - Based on Current Incumbents | | | | | | | | | | | | | |
|--|--|---------------|-----------------|--------------------------|------------------------------------|----------------------------------|-----------------|--|-------------------------------|-----------------------|-------|--------------------|--|--|
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| Average | \$296,093 | \$3,850 | \$7,600 | \$307,543 | | \$20,729 | | 9.58% | (\$28,011) | \$26,041 | \$0 | \$326,302 | 74.31% | \$221,862 |
| | | | | | | | | | | | | | | |
| Sunnyvale | \$274,713 | \$6,000 | \$0 | \$280,713 | 401(a): 2% + 457: \$17,500 | \$22,994 | 2% @ 60 | 4.00% | (\$10,989) | \$33,143 | \$0 | \$325,861 | 60.00% | \$164,828 |
| Sunnyvale above/(below) average - in \$: | (\$21,381) | \$2,150 | (\$7,600) | (\$26,831) | | \$2,266 | | -5.6% | \$17,022 | \$7,102 | \$0 | (\$441) | -14.3% | (\$57,034) |
| Sunnyvale above/(below) average - in %: | -7.2% | 55.8% | -100.0% | -8.7% | | 10.9% | | -58.3% | -60.8% | 27.3% | 0.0% | -0.1% | -19.3% | -25.7% |

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City Manager Salary Growth

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- Over the past 9 years City Manager salary growth has been 6% (offset by 2% re-directed to CalPERS), resulting in net 4.12% increase

| Effective date | Annual | Increase | Notes |
|----------------|------------|----------|--|
| 12/2/2008 | \$ 258,868 | | |
| 8/18/2013 | \$ 264,045 | 2.00% | |
| 6/2/2014 | \$ 264,045 | 0% | Not awarded/granted |
| 6/7/2015 | \$ 269,326 | 2.00% | |
| 7/3/2016 | \$ 274,713 | 2.00% | |
| 7/1/2017 | \$ 274,713 | 0% | |
| | | 6.12% | 9 year time period (with 2% re-directed to CalPERS) |

Consider Options for Compensation

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- Recruit with current salary range
- Modify salary range before recruitment brochure is developed
 - Consider applicant pool Council is seeking
 - ✦ Comparable in silicon valley
 - ✦ Experienced, seasoned City Manager
 - ✦ Ability to effectively manage all aspects of job, with low learning-curve
 - Manage council relations
 - Effectively run the City
 - Maintain momentum on projects and Council Priorities
 - Negotiate with Developers
 - Strategic thinking to leverage opportunities that are frequent
- Recruit with “salary to be negotiated” with final candidate
 - Brochure would read: Competitive Compensation Negotiable at time of selection

Recommendation: Modify salary range before recruitment is started and adopt automatic COLA increases

Compensation Recommendation

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- Compensation Sub-Committee is recommending a salary range for the City Manager classification

| Classification | Minimum | Maximum |
|----------------|-----------|-----------|
| City Manager | \$302,041 | \$362,449 |

- This range is 15% above the proposed Assistant City Manager range

Areas to Highlight

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- Recruitment will occur concurrent to possibly two other regional recruitments – may impact candidate pool
- Very competitive hiring market, cost of living and ability to enter the market is a large barrier for recruitment
- City's Tier 2, CalPERS
- Below market-rate City Manager salary history and practice of compensation with past two City Managers

Next Steps

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- City Council should consider measures to correct or mitigate potential impacts and present itself as an employer of choice for qualified candidates.

Director Compensation

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Areas to Highlight

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- In addition to existing CM vacancy:
 - ACM
 - ESD
 - DPW
- Already aware of other public agencies calling to attract employees to stabilize their own organizations (mostly in public works)
- Morale among Directors is low, this issue surfaced for over a year...delayed in addressing it has taken a toll
- Findings of department directors compensation review:
 - Below market rate in salary
 - Absence of traditional compensation, retention features (e.g., severance, etc.)
 - Internal compensation distortion (significant issue)
 - Wage growth opportunity not present for the majority of ELT staff and has been a driver for departures
 - Salary range presents challenges for recruitment, some regional agencies aware of below market salaries

How Did We Get Here?

Externally vs Internally Controlled Wage & Absolute Differentials

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- July 2017 - Deputy Chief: \$227,674 (top salary, including 2.5% education premium) – Externally Controlled Wage Growth
- Directors: Internally Controlled Wage Growth
- Internal, External and CPI-U Comparability

| <u>Directors Employee Group</u> | <u>Top Salary</u> | <u>Difference from DC</u> |
|--|-------------------|---------------------------|
| Director of Public Safety | \$227,702 | 0.00% |
| Director of Employment Development | \$190,123 | -19.75% |
| Chief Information Officer | \$209,406 | -8.72% |
| Director of Human Resources | \$209,406 | -8.72% |
| Director of Library and Community Services | \$209,406 | -8.72% |
| Director of Community Development | \$215,688 | -5.56% |
| Director of Finance | \$215,688 | -5.56% |
| Director of Environmental Services | \$222,158 | -2.48% |
| Director of Public Works | \$222,158 | -2.48% |
| Assistant City Manager | \$228,823 | 0.50% |

How did we get here?

Existing Public Safety MOU Differentials in Comparison to Directors

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Adopted Compensation Model from 2006:

Effective July 2017

| Classification | Annual Salary | Differential | Director Differential based on 2006 model | Modified Annual Salary based on 2006 model |
|------------------------|---------------|--------------|---|--|
| Chief | \$227,702 | 0.00% | 12% | \$256,133 |
| Director (lowest paid) | \$209,406 | -8.72% | 3% | \$234,504 |
| Deputy Chief* | \$227,674 | 14.80% | | |
| Captain | \$198,324 | 23.65% | | |
| Lieutenant | \$160,387 | 17.10% | | |
| PS Officer II | \$136,972 | 13.89% | | |
| PS Officer I | \$120,268 | 5.00% | | |
| PS Officer-in-Training | \$114,541 | | | |

*Includes 2.5% education stipend

PSO II and Lieutenant salaries are determined by survey

How did we get Here?

10-Year Internal Comparability and CPI-U

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| | CPI | | PSOA | | | | | MGMT | | |
|-------------------------|----------------|----------------|----------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <i>Fiscal Year</i> | <i>CPI-W *</i> | <i>CPI-U *</i> | <i>Officer</i> | <i>Lieutenant</i> | <i>COA</i> | <i>SEIU</i> | <i>SEA</i> | <i>SMA</i> | <i>UNREP</i> | <i>PSMA</i> |
| 2009/2010 | 1.40% | 1.10% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.00% | 0.00% | 0.00% |
| 2010/2011 | 2.90% | 2.40% | 5.95% | 5.48% | 6.26% | 2.00% | 2.00% | 2.00% | 0.00% | 5.48% |
| 2011/2012 | 2.70% | 2.60% | 1.25% | 1.30% | 0.00% | 2.00% | 2.00% | 3.00% | 0.00% | 1.30% |
| 2012/2013 | 2.60% | 2.60% | -0.37% | -0.51% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 2013/2014 | 2.90% | 3.00% | 1.86% | 1.68% | 0.00% | 0.00% | 0.00% | 0.00% | 2.00% | 1.68% |
| 2014/2015 | 1.90% | 2.30% | 2.49% | 2.36% | 0.00% | 3.00% | 3.00% | 2.00% | 2.00% | 2.36% |
| 2015/2016 | 2.50% | 2.70% | 3.18% | 3.23% | 6.50% | 0.00% | 0.00% | 3.50% | 2.00% | 3.23% |
| 2016/2017 | | 2.20% ** | 1.37% | 1.34% | 3.92% | 5.50% | 5.50% | 2.50% | 2.00% | 1.34% |
| 2017/2018 | | 2.20% ** | 3.11% | 3.61% | | 4.00% | 4.00% | 1.50% | 2.00% | 3.61% |
| 2018/2019 | | 2.20% ** | Survey | Survey | | 2.00% | 2.00% | 2.00% | | Follow Leut. |
| Total | 16.90% | 23.30% | 18.84% | 18.49% | 16.68% | 18.50% | 18.50% | 18.50% | 10.00% | 19.00% |
| Average | 2.41% | 2.33% | 2.09% | 2.05% | 2.09% | 1.85% | 1.85% | 1.85% | 1.11% | 2.11% |
| Compound Total | 18.16% | 17.93% | 20.33% | 19.93% | 17.60% | 19.93% | 19.93% | 20.05% | 10.41% | 20.54% |
| Compound Average | 2.59% | 1.79% | 2.26% | 2.21% | 2.20% | 1.99% | 1.99% | 2.01% | 1.16% | 2.28% |

* CPI = CPI-W or CPI-U of June each year.

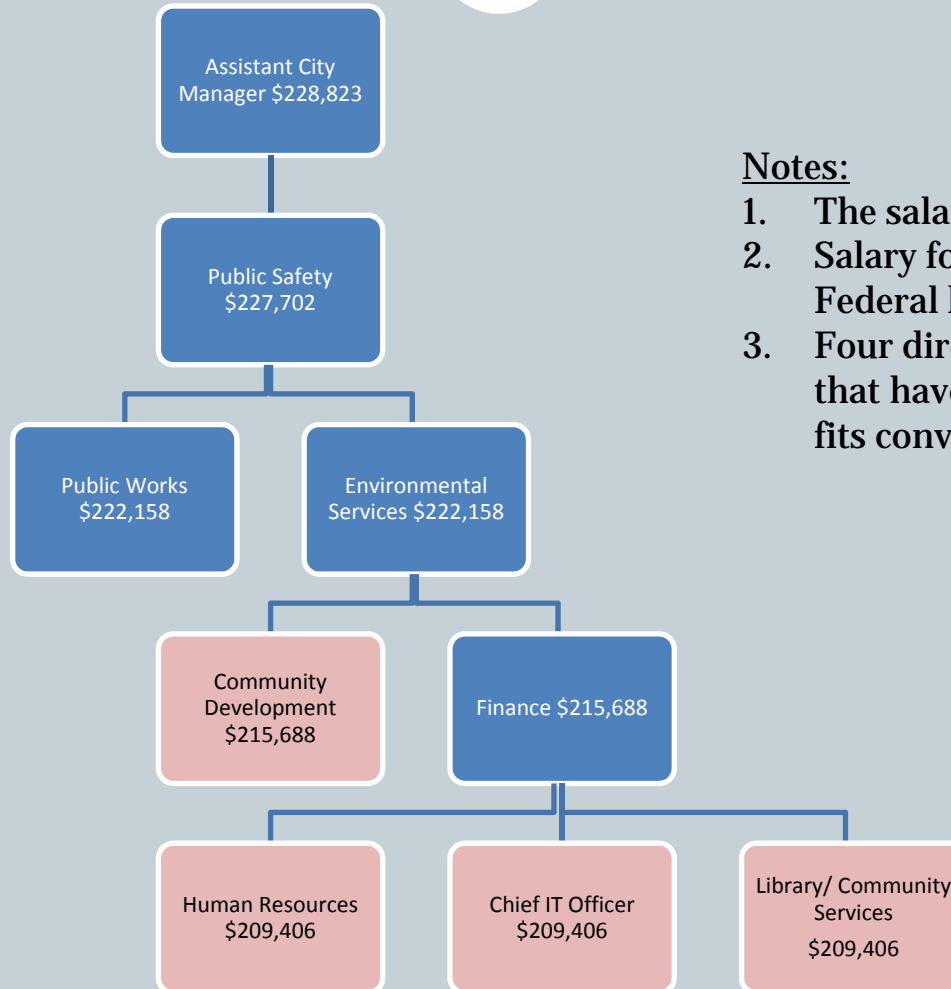
Data from the Bureau of Labor Statistics CPI-U, San Francisco-Oakland-San Jose region

** Projection by the Public Law Group

How did we get here?

Multiple Salary Ranges for Directors Not Market Related

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Notes:

1. The salary shown is top step
2. Salary for NOVA is capped by Federal law at \$190,123
3. Four director salary ranges that have no business case that fits conventional practices

Recruitment Overview

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- **Recruitment Dependent on City Manager's Professional Network, which will no longer be available for future recruitments:**
 - Interim City Manager candidates - Network
 - Assistant City Manager - Network
 - Library Community Services Director - Network
 - Public Safety Director - Network
 - Chief Information Officer
 - Finance Director – Internal
 - Community Development - Internal
 - **Candidate pool for past recruitments has been shallow, CM must work hard to create talent pool**
 - **Current recruitment efforts**
 - Environmental Services Director
 - ✦ Using second recruitment firm, after an extended process with the first recruiter
 - ✦ Using one of the most reputable professional executive recruiters in public sector
 - ✦ No viable applicants, had to extend recruitment by 1 month – there is no viable pool of candidates
 - ✦ One eligible candidate initially interested, declined because of salary and Tier 2
 - ✦ New pool is underwhelming, possibility of one or two candidates
- DPW = TBD
ACM = TBD

Recruitment Overview

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- **Director positions when vacant**
 - Interest in positions mostly from less seasoned candidates (e.g., would be first time Director candidates)
 - Cost of Living and salary range discourage applicants. For some, the move is just a lateral move which is not enough to attract (meaning you must start at top of salary range, with no wage growth opportunity)
 - Necessary to take pay cut or pension tier loss to enter the City of Sunnyvale
 - Necessary to offer top of the range beginning of employment because candidate is already there, which results in no pay growth because of the lack of executive compensation program
 - Seasoned candidates are generally at or above-market and data show that our control point is generally below market
 - Necessary to make internal changes/moves to retain existing staff
 - Transition of Directors is a significant loss in institutional knowledge
 - Difficult to attain “Employer of Choice” status or recognition at executive level

Director Salary Range

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Recommended Ranges:

| Classification | Minimum (83% of CP) | Maximum | Range |
|---------------------------|------------------------|-----------|-------|
| NOVA * | | \$190,123 | |
| Directors | \$234,504 | \$281,405 | 20% |
| Director of Public Safety | \$254,995 | \$305,993 | 20% |
| Assistant City Manager | \$262,644 | \$315,173 | 20% |

**NOVA salary amount is limited by Federal regulations*

Floor will cure internal compaction and below market rate issue

Recommended Salary Placement

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Placement of Current Incumbents

| <u>Directors</u> | <u>Actual July 2017</u> | <u>Placement on Current Range</u> | <u>New Salary</u> | |
|--|-------------------------|---------------------------------------|-------------------|-------------------------|
| Director Of Employment Development | \$190,123 | 100.0% | \$190,123 | Same as current |
| Chief Information Officer | \$209,406 | 100.0% | \$234,500 | DC max + 3.0% |
| Director Of Human Resources | \$209,406 | 100.0% | \$234,500 | |
| Director Of Library & Community Services | \$209,406 | 100.0% | \$234,500 | |
| Director Of Finance | \$203,258 | 94.2% | \$234,500 | |
| Director Of Community Development | \$214,049 | 100% | \$234,500 | |
| Director Of Environmental Services | \$222,158 | 100.0% | \$234,500 | |
| Director Of Public Works | \$222,158 | 100.0% | \$234,500 | |
| Director Of Public Safety | \$227,702 | 100.0% | \$254,995 | DC max + 12.0% |
| Assistant City Manager | \$228,823 | 100.0% | \$262,644 | Highest paid Dir + 3.0% |

Salary Resolution Amendments

32

- **Merit Based Pay Increases**

- Modify the salary resolution to provide for merit based pay increases for Department Directors.
- Eliminate the 6 months and then every 12 months for regular salary increases
- Evaluation at 12 months to qualify for merit increase and annually thereafter

- **Severance Pay for Department Directors**

- Modify the salary resolution to provide for severance pay for Department Directors.
- Directors serve at-will to the City Manager
- Recommendation is minimum of 3 and maximum of 6 months severance based on years of service

Next Steps

33

Option 1

- Prepare the organization and correct a long standing problem
- Correct compensation ranges for directors at September 12 City Council meeting
- City Manager to correct below market compensation before departure
- City Manager to work with Finance Director to address fiscal impact for Council review in mid-year budget

Option 2

- Take no action (risk additional departures)

Summary of Actions Recommended

34

- **City Manager Recruitment Process**
 - Authorize Director of Human Resources to start RFQ
 - Determine Sub-Committee Role: This will speed up or slow down process
 - ✦ Select the recruitment firm
 - ✦ Develop and finalize recruitment brochure
 - ✦ Select the business and community leaders for panel interviews
 - ✦ Meet with recruiter and identify top candidates to move forward
 - ✦ Review reference checks with recruiter
 - ✦ Serve as chief negotiator with final candidate
- **Governance Initiative**
 - Determine if study session is to be scheduled

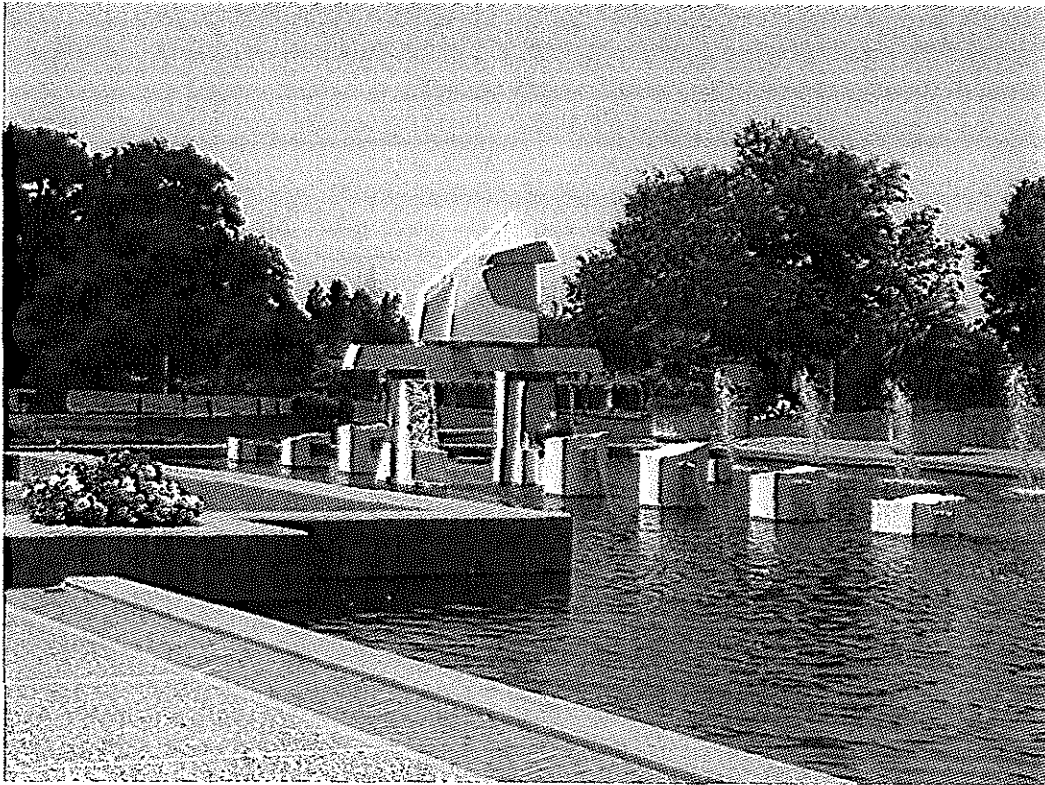
Summary of Actions Recommended

35

- **Executive Compensation**
 - **City Manager Salary Range**
 - ✦ Modify salary range prior to recruitment
 - **Director Compensation**
 - ✦ Modify salary ranges as recommended
 - ✦ Modify salary resolution as recommended
 - ✦ City Council action on September 12, 2017

The City of Sunnyvale

*invites your interest for the
position of*



City Manager

Sunnyvale and six other municipalities.

The City's Executive Leadership Team (ELT), consisting of the City Manager, City Attorney, and all Department Directors, is highly collaborative and collegial. The ELT works together to address substantive issues of overall Citywide importance and provide leadership direction to the organization. Creative problem solving and performance improvement are constant themes within the management culture as the City strives for continuing innovation in achieving enhancements to efficiency and service delivery.

The Sunnyvale City Manager's Office has a staff of 18 employees and is organized into six service areas: City Clerk's Office, Public Information, Economic Development/Business Attraction and Retention, City Council, Print/Mail Services and Management/Administrative Support.

The City Manager will face the following issues and challenges:

- ◆ A major downtown revitalization and development project that involves rebuilding and revitalization of the downtown center in progress, and presents significant challenges and opportunities for the City. The City Manager plays a key role in moving the project forward, ensuring timely completion of development milestones, communicating thoroughly and often with the City Council, and continually addressing urgent issues that are unavoidable in a project of this scope and complexity.
- ◆ The study and financing of a number of significant capital and infrastructure projects are on the horizon, including renovation of an aging Wastewater Treatment Plant, Library development, updating the City's Administrative Offices, and evaluating effective utilization of Parks and Recreation facilities.
- ◆ Continued refinement of the City's long-term financial plans to respond to the community's desire for state-of-the-art programs and services.
- ◆ Workforce planning and strengthening organizational effectiveness will also require inspirational and dynamic leadership from the City Manager.
- ◆ The challenges coming from accommodating growth within a largely built-out community while preserving neighborhood character.

The Ideal Candidate

The successful candidate will of necessity be a quick study, straightforward and even-handed. This position requires a combination of vision and "big picture" thinking along with a practical and proactive style. The City Council and community expect a City Manager who is unquestionably ethical, and who shares the public's commitment to long-term sustainability of all aspects of the City: economic, environmental, demographic, and cultural. It will therefore be essential for the new City Manager to understand and support Sunnyvale's tradition of long-range planning and the related budget structure. The preferred candidate will bring a high level of credibility demonstrated by a style of leading through inspiration. Creating a positive and supportive environment that motivates staff to strive for excellence will mean that the Manager will be comfortable delegating, and accessible with an open door policy. In addition, the new Manager must have a reputation of success in complex and fast-paced organizations, as well as a history of building effective relationships with City Council members; key to that success will be a proven track record of keeping the Council collectively informed of all relevant issues and concerns.

The City Council expects the new City Manager to be involved with and visible in the community, demonstrating a commitment to positive engagement with elected officials, neighborhood citizen groups, business and development communities, peer groups and staff. This position requires a candid and open communicator, who is politically astute but operates in an apolitical and objective fashion, and is diplomatic but direct. In the course of furthering Council goals and objectives, the new City Manager must provide clear and unwavering guidance to the City Council that reflects community interests and best practices for innovative municipal governance. An inclusive approach with sensitivity to the multi-cultural environment and diverse needs of the city's residents should be demonstrated by the ideal candidate. The new City Manager will achieve great satisfaction from his/her role in leading and continually improving a policy-driven, process-oriented, and transparent organization.

The position requires a four-year degree in a related field. A Master's degree is desirable. The new City Manager should have an extensive background in municipal management. Candidates with experience managing a large and sophisticated public

The Community

Recognized as the "Heart of Silicon Valley," Sunnyvale, with a population of approximately 146,000 is the fifth largest city in the San Francisco Bay Area and the second largest in Santa Clara County. Sunnyvale was incorporated in 1912 and, over the years, has transformed from an agricultural community, to a center for the defense industry, to the current nexus of research, development and manufacturing that created Silicon Valley. Sunnyvale is home to companies such as Google, Bloom Energy, Juniper Networks, Network Appliance, Nokia, Rambus, Apple, Twitter and Yahoo!. The draw of working in this dynamic community swells the City's daytime workforce to over 230,000.

Sunnyvale is ideally located in the spectacular San Francisco Bay Area. The San Jose, Oakland and San Francisco international airports are easily accessible. The area is home to many museums, theaters, concert halls, and art galleries, as well as numerous professional sports teams.

In addition to its ideal location, Sunnyvale is also recognized for its park system and public recreation facilities, including 18 prize-winning parks, two golf courses, fifty-one tennis courts, six public swimming pools and a state of the art Community Center. The Baylands Park provides over seventy acres of developed parkland offering recreation activities, scenic pathways, and picnic areas for families. A wide variety of cultural and artistic events are available within the City, including the annual Art & Wine Festival, the Summer Music Series, Hands on the Arts children's art fair, a weekly farmer's market, and downtown holiday events. Additionally, the historic downtown business district is a vibrant commercial and entertainment hub.

Four school districts serve Sunnyvale, with twenty-six public and private schools. Stanford University, Santa Clara University, San Jose State University, two University of California campuses and several community colleges are nearby. Sunnyvale's moderate climate is ideal, with an average temperature of 71° in July and 53° in January. Summers typically bring warm sunny days and delightful cool nights, and winters are mild, with an average rainfall of 15 inches.



City Government

The City of Sunnyvale is a charter city, with a seven-member City Council that is elected at large. The Mayor and Vice Mayor are selected by the Council, with the Mayor serving a two-year term. The Council appoints the City Manager and City Attorney. The Council and City staff enjoy a positive and mutually respectful relationship.

Sunnyvale provides a full range of services and maintains a workforce of approximately 823 regular employees. The 2013/14 Budget and 20-year Resource Allocation Plan totals \$285.1M. The citywide operating budget is \$228.5M. Financially, Sunnyvale is one of the Bay Area's best-positioned cities. Moody's Investor Services confirms this with its recent Triple A credit rating, an independent measure of financial standing. Sunnyvale continues to take a leadership role among local governments with its fiscal policies, performance-based budgeting and unique long-term financial planning and management system. The City has a balanced 20-year financial plan and operates under a two-year budget cycle. Community surveys consistently indicate that residents and businesses are satisfied with the quality of the services and programs provided by the City.

City departments include: City Manager, City Attorney, Community Development, Finance, Human Resources, Information Technology, Libraries and Community Services, Public Safety (an innovative Police/Fire combination), Environmental Services and Public Works. The City also staffs the NOVA Workforce, which provides regional job-training programs to citizens of

Compensation and Benefits

The salary for the City Manager is open, DOQ. The City pays market competitive salaries, with the current salary range of up to \$264,000. The City of Sunnyvale also offers an excellent benefits package, including:

- ♦ Medical Insurance: Medical coverage is provided through CalPERS and is fully paid by the City for the employee and eligible dependents.
- ♦ Dental Insurance: Family coverage provided through Delta Preferred (PPO) or Delta Care (HMO).
- ♦ Vision: Family coverage provided through VSP
- ♦ Retirement: CalPERS 2% @ 60 plan for Classic Members, 2% @62 for new PERS members in accordance with PEPRRA.
- ♦ Paid Time Off: An all-inclusive paid-time off program.
- ♦ Holidays: Eleven holidays and an additional 20 hours of floating holiday pay per calendar year.
- ♦ Other benefits include: Deferred Compensation: The City contributes 2% to a 457 or a 401(a) plan. Management Administrative Leave of 60 hours per year; Employee Assistance Program, Flexible Spending Account.



For additional information regarding the City of Sunnyvale, please visit the City's website at www.sunnyvale.ca.gov.

The Process

If you are interested in pursuing this unique and exceptional career opportunity, please forward (email preferred) a letter of interest, your resume, including your current salary, and five work-related references (who will not be contacted until mutual interest is established) to:

Bill Avery or Ann Slate
Avery Associates
3½ N. Santa Cruz Ave., Suite A
Los Gatos, CA 95030
E-mail: jobs@averyassoc.net

The final filing date for this position is November 20, 2013.

If you have any questions regarding this position, please feel free to contact Bill Avery at 408.399.4424 or Ann Slate at 805.459.5132.





Relationship Between City Council and City Manager Staff

Thursday, January 21; 8:30 – 10:00 a.m.




Relationship Between City Council and City Manager Staff

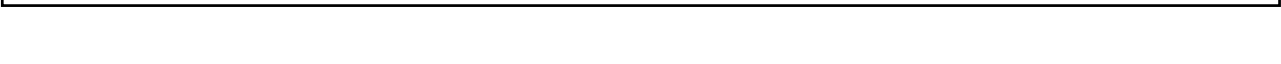
Kevin Duggan – ICMA West Coast Regional Director, Moderator

Nelson Fialho – City Manager, City of Pleasanton, Presenter

Kathy Narum – Vice Mayor, City of Pleasanton, Presenter



Presentation Outline

- Overview and Introductions
 - Best Practices – A City Manager's Perspective
 - Best Practices – A Councilmember's Perspective
 - Questions and Answers
- 



Objective

- An Effective City Council and City Manager Relationship

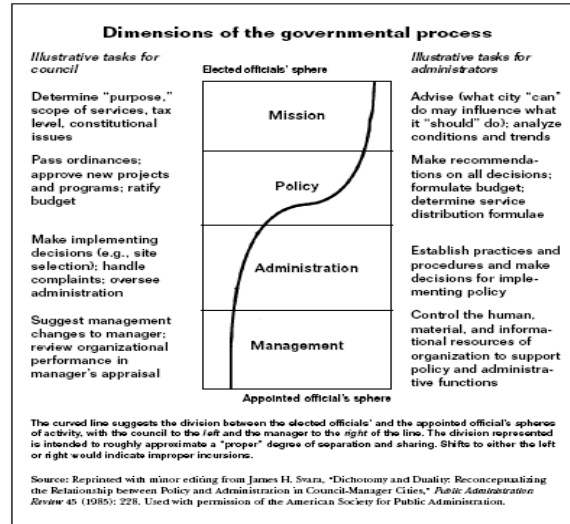


Overview – The Council/Manager Plan

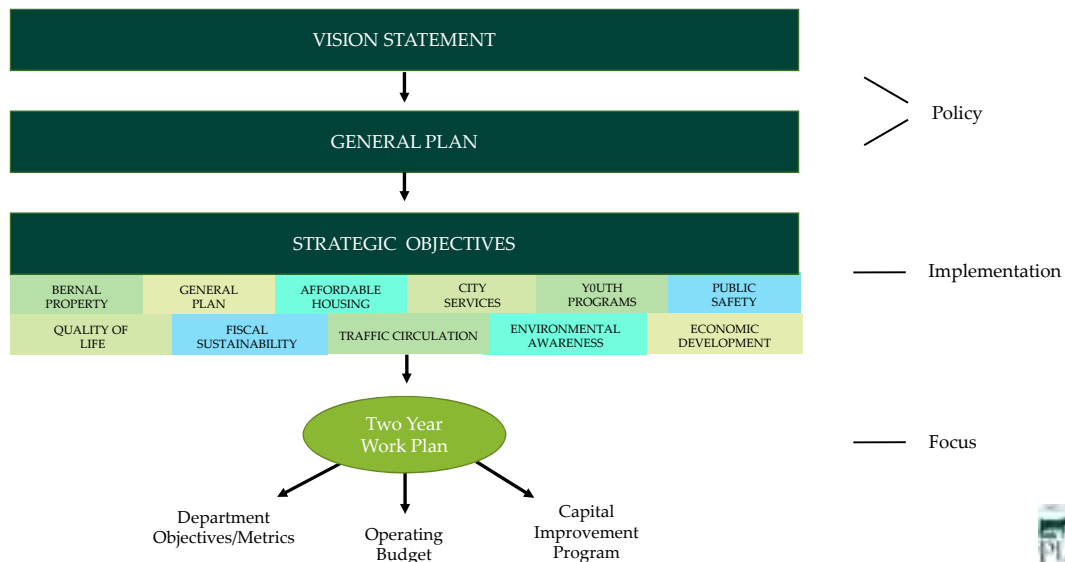
- Designed for the elected City Council to set policy direction as the direct representative of the community; and
- Designed for the City Manager to provide professional expertise to manage the organization and carry out the Council's direction

Overview – The Council/Manager Plan

Figure 1-2. The dichotomy-duality model



Overview – The Council/Manager Plan



Overview – The Council/Manager Plan

- **Signs of Optimal Performance**

- Elected officials focus on the big picture policy development and minimize their role relating to administrative implementation
- City Manager or staff avoid an undue influence on policy development while focusing on policy implementation and service delivery

Overview – The Council/Manager Plan

- **Outcomes**

- Organizational Performance
- Organization Reputation
- Value to the Community
- Personal Reputation
- Community Pride and Confidence



A City Manager's Perspective



Best Practices – A City Manager's Perspective

1. Recognize that you are now different than before you were elected (and more than you realize)
2. Understand and respect the Council/Manager plan of governance
3. Allow time for you and the City Manager to get to know each other and develop working relationship
4. City Managers will do their best to carry out the policy direction of the City Council (even when there is a major change in policy direction)

Best Practices – A City Manager's Perspective

5. Take your role seriously, but not yourself
6. Appreciate the legitimate difference between the “community perspective” and the “professional/technical” perspective
7. Don't fall into the trap of feeling you are VERY special
8. Professional City Manager's will not play favorites
9. It is critical to City Manager's to have clear policy direction
10. Be sensitive to the need for City Manager's to sometimes tell you “what you don't want to hear”

Best Practices – A City Manager's Perspective

11. It's about the majority, not the individual
12. Take your role to evaluate your City Manager's performance seriously
13. Tolerance for organizational imperfection (mistakes!)
14. Support reasonable risk taking
15. Try to focus feedback on service quality, not individuals
16. Don't expect managers to take sides in councilmember disputes
17. Don't jump to conclusions regarding customer feedback

Best Practices – A City Manager's Perspective

- 18. Don't expect the Manager to exercise "political leadership"
- 19. Disagree with the recommendation but "Don't attack the messenger"
 - Critique the idea, not the individual
 - Includes "don't stump the staff"
- 20. Conduct yourself at Council meetings in a professional and businesslike manner
- 21. Consider the use of Council team-building and goal-setting workshops

Best Practices – A City Manager's Perspective

- 22. Have a clear understanding with the Manager regarding the type and frequency of communication you prefer
- 23. Do your homework
- 24. "Trust Above All": Both parties must be respectful and honest
- 25. No Surprises – Council and Manager should keep each other informed to avoid hearing something first from third parties
- 26. Work through the City Manager to get things done



Best Practices – A City Manager's Perspective

- 27. Clarity in Mayor, Council, and Manager roles
- 28. Don't blame the Manager or staff for carrying out the direction of the City Council
- 29. If the Council/Manager relationship is not going well, communicate concerns and provide opportunities for the Manager to address them
- 30. If all else fails and there needs to be a "parting of ways", keep it professional



A Councilmember's Perspective



Best Practices – A Councilmember's Perspective

- Council sets policy and overall direction
- City Manager implements council policy and day-to-day operations and offers policy advice
- In discussions with Manager and Council, find that line and both stay within your area of responsibility



Best Practices – A Councilmember's Perspective

- Yes, it is often more complicated
- But it is best if
 - The Council is not seen as involved in staff and administrative matters
 - The City Manager is not seen as dominating public discussions

Best Practices – A Councilmember's Perspective

- **Show respect for**
 - Fellow Councilmembers
 - Community At Large
 - Staff
 - Speakers
 - Press
 - Legislative Process

Best Practices – A Councilmember's Perspective

- Encourage a close relationship and meet with your Manager periodically
- Your Manager can be your greatest asset in reaching your goals
- Want to get things done? Ask the Manager, not the staff



Best Practices – A Councilmember's Perspective

- You cross the line of responsibilities when you start to direct staff to work on your projects
- Unless your City Charter is different, the City Manager, City Attorney, and perhaps the City Clerk, are your only employees
- The Council directs the City Manager and he/she directs staff – simple chain of command



Best Practices – A Councilmember's Perspective

- Hold the City Manager accountable for Council goals
- If there is conflict around an individual Councilmember's request, then the Manager needs to work on resolving the conflict
- Do not publicly criticize the City Manager or staff – take up your disappointments privately

Best Practices – A Councilmember's Perspective

- Don't forget about the Mayor
- Meet with the Mayor frequently to discuss your ideas or concerns
- Mayor works closely with the City Manager to move the City Council goals forward, anticipate upcoming issues, and manage the action of the council meetings
- All of this can happen more smoothly if the Mayor understands your concerns
- **Remember the Brown Act applies to the Mayor as well!**

Best Practices - A Councilmember's Perspective

- **Council vs Staff or Council and Staff**

Yes! A little of each depending on staff personality and longevity in position. However, most of the time, if staff understands their role and are well trained by the City Manager, they are truly dedicated to the Council and work hard to serve the community.

Best Practices - A Councilmember's Perspective

- **Council vs Staff or Council and Staff**

- The work of the City is done by staff, not Council
- Set clear goals and policies
- Staff becomes a willing effective partner

Best Practices - A Councilmember's Perspective

- **Neither City Manager nor City Councilmembers can do it Alone**

- Become an expert at small group decision making
- Understand and appreciate each others' styles, strengths, and expertise
- Respect each other and understand your roles
- Be rock solid on laws and rules regarding ethics
- Learn to count to 10!



Best Practices – A Councilmember's Perspective

- **Neither City Manager nor City Councilmembers can do it Alone**
 - Learn to compromise – take the long view
 - Think strategically
 - Always remember your values and why you ran for office or entered public service
 - Put the community first in all matters



Best Practices - A Councilmember's Perspective

- **Do your Homework and Be Prepared**
 - Read agenda materials
 - Ask questions in advance
 - Analyze alternatives
 - City Manager should share information equally with all Councilmembers
 - Set clear rules, policies, and procedures for Council meetings



Best Practices – A Councilmember's Perspective

- **Do your Homework and Be Prepared**

- Involve City Attorney early
- Ask how to achieve policy goals under the law rather than whether the course of action is legal
- Pay careful attention to Brown Act and laws and regulations regarding ethics



Best Practices – A Councilmember's Perspective

- **Establish a Strong Council-Manager Partnership; Nurture, Feed, and Care for it**

- Communicate through the Manager
- Ask questions of staff, but do not direct them
- Schedule time for team-building, feedback, and relationship building
- Learn something new every time you can on a daily basis



Best Practices – A Councilmember's Perspective

- **Establish Clear Measures for Success**

- Achievable
- Measureable
- Motivating
- Regular review of policy effectiveness and implementation practices



Best Practices – A Councilmember's Perspective

- **Review How You Spend Your Time**

- Easiest or most important?
- Responding to crisis or anticipating future needs and challenges
- Pace your effort for the long run
- Ask the public how you are doing (e.g., consider a community survey)

Have Fun!

- ✓ Celebrate successes
- ✓ See the humor in your spectacular failures
- ✓ Enjoy your experiences - you worked hard to get here.

Questions & Answers

Kevin Duggan – ICMA West Coast Regional Director

Email: KDuggan@icma.org

Phone: (202) 962-3583

Nelson Fialho – City Manager, City of Pleasanton

Email: NFialho@cityofpleasantonca.gov

Phone: (925) 931-5002

Kathy Narum – Vice Mayor, City of Pleasanton

Email: KNarum@cityofpleasantonca.gov

Phone: (925) 931-5001

Leadership & Governance: Tips for Success

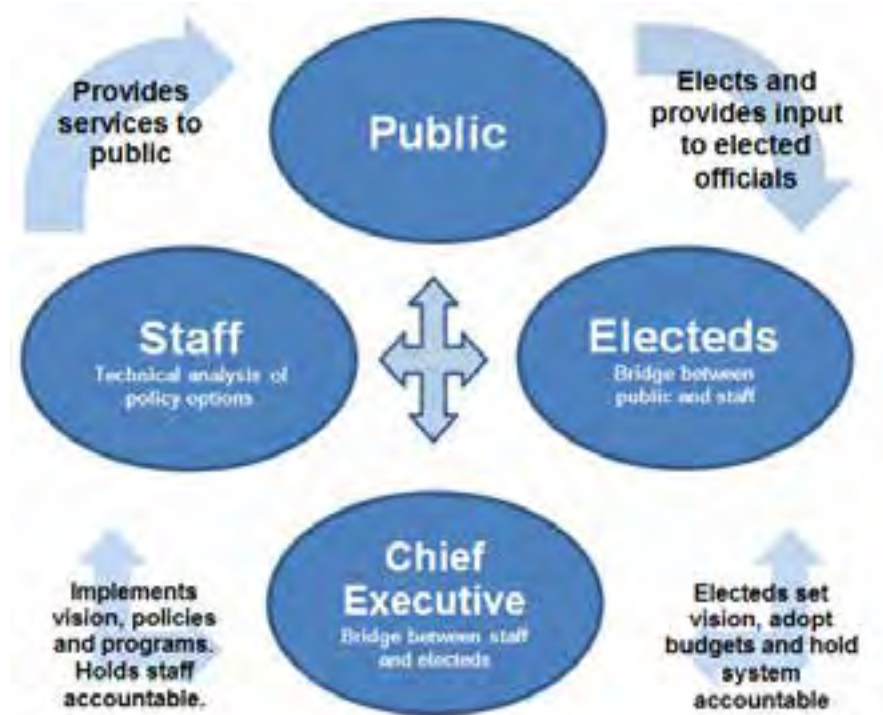
Electeds and Staff Bring a Different & Necessary Perspective

Understanding and embracing different perspectives is part of what makes our democratic institution at the local level so great. Both perspectives are vital when making decisions in the community's interests.

- Elected officials focus on what their constituents value and need from the agency; and
- Staff has technical expertise in policy areas and what can work, given their day-to-day experiences with implementing agency policies, practices and service delivery that can help inform the decision-making process.¹

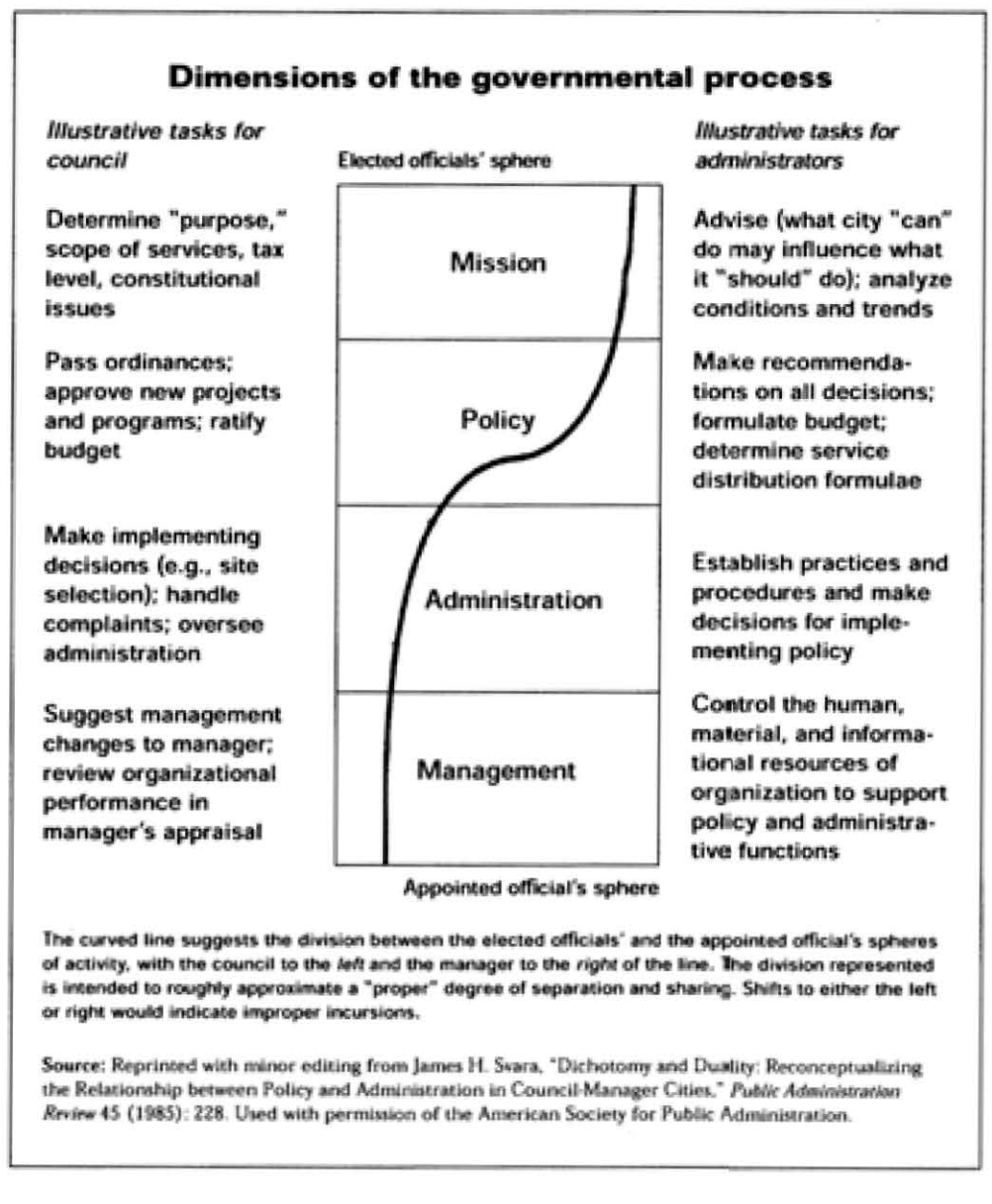
Bridging Function

Elected officials play a key bridging function between the community needs and staff; the chief executive officer in turn plays a bridging function between elected officials and staff.



Role Division

Current thinking is that elected and appointed officials operate in all four dimensions of the governance process: mission, policy, administration and management, although to differing degrees.² The graphic³ below illustrates this phenomenon. The curved line illustrates the division of roles between governing boards and executive staff; how this line looks for each local agency varies.



Role Clarity

A shared understanding of the chief executive's role and the governing board's expectations optimizes the working relationship. This understanding is informed by local charter and ordinance provisions that provide the overall framework for the relationship.

- The process of developing such a shared understanding begins with the hiring process and each participant in the process being forthright about their respective expectations.
- An annual evaluation process is an ongoing opportunity for such communication, particularly as governing board members change.

Staff will be most able to perform to expectations if those expectations are clear and mutually acceptable.

Tips for Governing Board Members

Setting Goals and Priorities. A helpful practice is to have the governing board establish priorities and strategic goals for the organization; such goals and priorities are a tool to guide the chief executive and staff on where to focus their efforts.⁴

Establishing an annual time for board reflection on community priorities would also offer an opportunity to discuss decorum among members and the executive-board relationship.

Limited Resources Means Difficult Trade-offs.

An unhappy reality is that there are likely insufficient resources to accomplish everything that the community and elected governing board members desire. This reality creates challenges for the chief executive in proposing a budget as well as well as managing the agency work force.

Finding Common Ground. A key skill for a governing board member is finding areas of agreement and common interests with other board members. Within the parameters of the state's open meeting laws, work with the other governing board members to find areas of agreement on what courses of action best serves the public's interests.

In the event that board members disagree, clear ground rules can quell acrimony before it becomes a public spectacle.

When the Governing Board Changes

Staff's job is to implement the policies adopted by the governing body. This includes implementing changes in policy direction when the philosophy of the governing board changes.

New majorities on boards sometimes impute the policy preferences of the previous boards to staff. This causes them to worry that staff will not be as diligent in implementing changes to previous policies. They sometimes believe staff has to change in order for policies to change.

This is another area where frank and ongoing communication is helpful. Most professional staff understand that policy directions change and that their role is to implement that change, as long as the policy falls within the bounds of the laws and public service ethics.

Allow a certain amount of time for staff and the new majority to get to know one another and see if a productive working relationship can occur.

Understanding that Public Policymaking Involves Value Choices. Policy choices tend to be choices among different values, including the values of fairness, compassion, efficiency, individual rights, common good and others. The “correct” answer is likely to be an elusive goal,⁵ particularly since members of the community as well as other members of the governing board are likely to give different values different weight.

Chief Executive Works for the Entire Board. All members of the body were elected by the community to participate in the agency’s decision-making processes. As a result, the chief executive’s responsibility is to strive for positive working relationships with all members of the body equally and provide information equally to all members of the body.

Communications Needs. Let the chief executive know what kinds of communications work for you. While the chief executive’s job is to share information with all members of the governing body equally (and typically through a combination of written communications and one-on-one meetings), governing body members will often have different communications preferences as to what combination of these two techniques work best for them.

Transparent Decision-Making. The governing board makes decisions (and gives staff direction) at open and well-publicized governing board meetings. These decisions occur after listening to, inquiring of and learning from interactions with all segments of the community and staff.

The Benefits of Collaboration. Be forthright on your objectives and goals with the chief executive, so he or she can do what is possible to help you achieve them (as opposed to “going around” him or her). A chief executive will try to be as responsive as possible to the needs of individuals on the governing board; however understand that significant tasks are likely to require governing body buy in and some tasks may conflict with priorities and policies adopted by the full governing body.

Ground Rules. A helpful practice is for the governing board as an entity to adopt, regularly review and update how the board will conduct its meetings and make decisions.⁶ Such protocols typically address meeting procedures (agenda preparation, how to put issues on the agenda, debate and voting procedures (parliamentary rules) and standards of decorum (civility).⁷

Managing Difficult Board Members. Staff’s role is to provide information to enable elected officials to knowledgeably participate in the decision-making process. However, from time to time, there will be difficult and divisive board members that create a challenging and uncomfortable environment for both the board and staff. There is no one-size-fits-all solution to solve such a problem. In the end, the board must manage its own behavior—not staff.⁸

Staff Preparation. If you have questions, concerns and/or information needs (or know that members of the community do), provide staff a heads up in advance of meetings so staff can be prepared to address them.

Unwelcome Information. One of staff’s least favorite roles is providing information and analysis that will make one or more governing board members unhappy. Typically, providing such information is part of staff’s job to avoid surprising the board. If pursuing a given course of action could have negative outcomes (a lawsuit, unintended consequences or a chance that a given goal will not be achieved), it is

staff's job to let the board know so the board can factor such information and risks into the decision. If possible, staff will also try to identify options and alternatives for reducing the risk of negative outcomes.

Directing Questions and Criticisms. Question, and if appropriate, criticize ideas, policies, programs or outcomes, but not the individuals involved (whether those individuals are fellow elected officials, staff or members of the public). Remember that staff is your tool to accomplish your objectives. Public praise for things you like will motivate; public criticism and embarrassment will discourage. Criticism or information regarding staff missteps should be directed to the chief executive to address.

Responding to Mistakes and Disappointing Outcomes. Mistakes are likely to happen in any organization. If something bad happened, ask what measures can and will be taken to prevent such missteps in the future.⁹

Tips for Chief Executive & Staff

Clear Goals and Priorities. A key task is for the governing body and chief executive work together to assure staff has clear direction on the agency's goals and priorities.

Goal setting workshops can be useful forums for establishing governing board and organizational priorities. This includes holding annual workshops in which goals are set, reviewed, updated and/or retained, as well as direction on how the group wants to be kept updated on progress, goals and priorities.¹⁰ Follow up, of course, is critical to maximizing a goal setting session's value.¹¹

Such clarity enables staff to know where to devote scarce/limited resources in proposing budget and work program priorities for the governing board's consideration.

Documented goals and priorities serve as a reference point when issues and potentially competing priorities come up throughout the year. Priorities may need to change of course; the key is if a new priority is added, an old one must be subtracted.¹²

Engaging a broad range of the community in the conversation about hard choices can help the governing body in aligning agency goals with community wishes. Such processes offer important opportunities to inform and consult the community on what can be difficult tradeoffs due to scarce resources. Such engagement can also make the resulting decisions more enduring.

Focus on the Core Functions. For those areas over which the agency has discretion (for example, non-state mandated efforts without maintenance of effort requirements), the conversation can focus on identifying what is most important for the agency to accomplish. This tends to be an intersection of three things: what the community is passionate about, what the organization can be best at and what resources are available.¹³

Identifying this intersection does not necessarily mean that tasks outside the intersecting area will not get accomplished. Some functions may be more effectively accomplished by other agencies, community-based organizations or the private sector.

Capacity Building. The entire community benefits from well-prepared and knowledgeable local officials. Some tools for assisting with this goal include:¹⁴

- Leadership academies that help the public, including potential future governing board candidates, understand key elements of the agency's work and processes.
- Candidate orientations that provide information about agency functions, pending policy issues, including budget issues and any regulations that apply to the campaigning process.
- Newly elected official orientations conducted as soon as possible after election results are certified. Content should include the nuts and bolts of how to accomplish objectives in their new role, as well as briefings on current issues the agency faces, the status of long-range plans and capital projects, and the budget process. Connecting newly elected officials with former electeds who are respected in the community and can offer advice and share experience is also helpful.¹⁵
- Ongoing education through local workshops, references to helpful information about local governance and policy issues and conference attendance.

Credit for Commitment to Elective Office. One dimension of staff's role is to help governing board members receive the recognition they deserve for their actions as public servants.¹⁶ As media opportunities occur, ensure the electeds are aware so they may receive recognition for their service on community issues.

Evenhandedness. A positive working relationship with all governing body members regardless of personality, philosophy, positions on issues or whether the member is in the majority or minority on the body (remember majorities can change) can be another important success strategy. Communication preference may require that you spend more time with certain members. "Evenhandedness" does not necessarily mean communicating with all decision-makers in the same way.

A Sustained Effort. Successful relationships require ongoing effort and attention. Communication is a central element of this effort.

- Staff's role is to present information and analysis objectively, fairly and without spin.
- This includes willingness, when necessary, to deliver unwelcome information and minimize surprises for the governing board.

When Elected Officials Disagree with Staff Recommendations and Analysis. Professionals recognize smart, conscientious and reasonable people can disagree on the best course of action (particularly given the differing perspectives that staff and electeds contribute to the analysis of what best serves the community's interests).

- Such disagreements are not and should not be taken personally.
- All governing board decisions must be faithfully implemented, even those which differed from what staff recommended.
- Staff should never speak ill of elected officials, even to seemingly sympathetic and discreet listeners. Word of what was said inevitably seems to get back.

Attention to Detail. Doing the small things well helps governing board members trust staff on the big items.

Defining Success. Enjoying good relationships with elected officials is a worthy goal, with a few caveats.

- Be clear on the lines (legal, ethical and professional) over which you are not willing to step, before finding yourself in a difficult situation.
- As difficult as it may be, your professional reputation for competence and integrity in the long term is a more valuable career asset than keeping a particular job.

More Resources

International City/County Management Association and National League of Cities, *Working Together: A Guide for Elected and Appointed Officials* (1999)

International City/County Management Association and National League of Cities, *Leading Your Community: A Guide for Local Elected Leaders* (2008)

This resource reflects the insights and thoughts of a number of individuals, including: Kevin C. Duggan, West Coast Director, International City/County Management Association, Pete Kutras, Retired County Executive, Santa Clara, and Principal Consultant, Municipal Resource Group, LLC, Richard A. Haffey, County Executive Officer, Nevada County, and William Chiat, Director, CSAC Institute for Excellence in County Government.

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¹ International City/County Management Association and National League of Cities, *Working Together: A Guide for Elected and Appointed Officials* (1999) at 22.

² *Working Together: A Guide for Elected and Appointed Officials*, at 19-20.

³ Based on the work of James H. Svara in "Dichotomy and Duality: Reconceptualizing the Relationship between Policy and Administration in Council-Manager Cities," *Public Administration Review* 45 (1998): 228. This material is reproduced with permission of John Wiley & Sons, Inc.

⁴ Kevin C. Duggan, A Key Ingredient for Success: An Effective City Council/City Manager Relationship, at 9.

⁵ Julia Novak and John Nalbandian, Preparing Councils for Their Work, *PM Magazine*, August 2009, available at <http://webapps.icma.org/pm/9107/public/feature3.cfm?author=Julia%20Novak%20and%20John%20Nalbandian&title=Preparing%20Councils%20for%20Their%20Work&subtitle=>

⁶ See International City/County Management Association and National League of Cities, *Working Together: A Guide for Elected and Appointed Officials* (1999), at 59. Mike Conduff, Council Relations, *PM Magazine* (June 2012), available at <http://webapps.icma.org/pm/9405/public/council.cfm?author=&title=Council%20Relations&subtitle=>

⁷ See International City/County Management Association and National League of Cities, *Leading Your Community: A Guide for Local Elected Leaders* (2008) at 30-33.

⁸ Julia Novak and John Nalbandian, Preparing Councils for Their Work, *PM Magazine* (August 2009), available at <http://webapps.icma.org/pm/9107/public/feature3.cfm?author=Julia%20Novak%20and%20John%20Nalbandian&title=Preparing%20Councils%20for%20Their%20Work&subtitle=>

⁹ A Key Ingredient for Success: An Effective City Council/City Manager Relationship, at <http://webapps.icma.org/pm/9107/public/feature3.cfm?author=Julia%20Novak%20and%20John%20Nalbandian&title=Preparing%20Councils%20for%20Their%20Work&subtitle=>

¹⁰ Julia Novak and John Nalbandian, Preparing Councils for Their Work, *PM Magazine* (August 2009) available at <http://webapps.icma.org/pm/9107/public/feature3.cfm?author=Julia%20Novak%20and%20John%20Nalbandian&title=Preparing%20Councils%20for%20Their%20Work&subtitle=>

¹¹ Mike Conduff, ICMA-CM, A Great Retreat!, *PM Magazine* (April 2012) available at <http://webapps.icma.org/pm/9405/public/council.cfm?author=&title=Council%20Relations&subtitle=>

¹² Frank Benest, Ten New Rules for Elected Officials in Times of Economic Meltdown (2011) available at <http://www.ca-ilg.org/post/leadership-strategies-times-economic-meltdown>.

¹³ Adapted from Jim Collins, *Good to Great in the Social Sectors*, 2005 at 19 (the "hedgehog concept"). Also recommended by Frank Benest in Ten New Rules for Elected Officials in Times of Economic Meltdown (2011) available at <http://www.ca-ilg.org/post/leadership-strategies-times-economic-meltdown>.").

¹⁴ From Mike Conduff, Council Relations, *PM Magazine* (June 2012), available at <http://webapps.icma.org/pm/9405/public/council.cfm?author=&title=Council%20Relations&subtitle=>

¹⁵ Preparing Councils for Their Work, *PM Magazine*, available at <http://webapps.icma.org/pm/9107/public/feature3.cfm?author=Julia%20Novak%20and%20John%20Nalbandian&title=Preparing%20Councils%20for%20Their%20Work&subtitle=>

¹⁶ This concept is part of the International City/County Management Association's Code of Ethics:

Tenet 6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.

Board/Executive Staff Communications Strategies

Establish Communication Priorities at the Beginning of the Relationship

Establishing rapport and communication styles early on will help throughout the board members' and executive's appointment tenure.

Ongoing Communications/No Surprises

A mutual goal in executive/board member communications is for each to keep the other informed of developments relevant to the others' roles and responsibilities. Another important goal is to avoid situations in which either elected officials or the chief executives are surprised.

Board Workshops

A board workshop, or series of workshops, can help to set goals and priorities for the agency. Workshops and communicating about decorum are key tools for the governing body. Such workshops enable the board to establish overall goals and priorities the community and objectives for the chief executive to pursue. Workshops can also create mutual expectations among board members on how they will work together to achieve goals.

Role of the Chair

One member of the board may be selected to serve as chair of the board. The chair may handle issues among the electeds as they arise so staff is not in the middle of any situations. An executive can work directly with the chair on agenda setting and logistical priorities.

Tailored Communications Methodologies

On a more day-to-day basis, regular communications between the chief executive and elected officials are advisable. How those communications occur will vary according to the preferences and styles of the individuals involved. Elected officials are likely to vary in how, when and where they want to engage in

communication with staff. As one former elected official observed, “One size does not fit all, but all need to feel fit.”

Although the mode of communication may vary; all board members should receive the same information. The method and amount of time for delivering and receiving communication may differ among members. Understanding the communication needs of each elected official is a key executive task.

Regular in-Person Meetings

Experts suggest that one-on-one meetings between the agency chief executive and each governing body member should occur frequently - if not weekly, then biweekly or monthly.

- Regular meetings with governing board are especially important when the body is divided.¹ If the chief executive meets only with members of the majority, the executive may undermine perceptions of staff objectivity and neutrality.
- Although staff is bound to implement the policy adopted by the majority, the relationship the chief executive develops must be with the body as a whole as well as with each individual who makes up the body.

Weekly Updates

Some agencies find a weekly newsletter/email from the chief executive to governing body is helpful practice.

- These should be informational only - not an effort to achieve consensus among decision-makers outside open and publicized meetings.²
- Executives and governing board members also need to be aware that such communications are public documents subject to disclosure to the media or in litigation.

Voice-to-Voice for Sensitive Matters

Communications relating to confidential or sensitive matters are best accomplished in person or by telephone.

Newly Elected Official Orientations

A helpful practice is for each newly-elected governing board member and the chief executive to meet individually early on. The meeting can include a tour of agency facilities and a briefing on key issues, as well as a preview of issues to be covered in any additional orientation sessions planned. It also offers elected officials the opportunity to get their most pressing questions answered.³ For more information, visit ILG's *New to Public Service* resources at: www.ca-ilg.org/new-public-service.

Staff Reports

Another form of communication between staff and elected officials (and others) are the staff reports the governing body receives in preparation for meetings. Good communication between the governing board and staff about the board's needs and expectations is important. In general, the following are recognized as good practices.⁴

- **Complete Information.** Staff reports should contain all of the information necessary to make an informed decision. This includes options and alternatives when appropriate, as well as anticipating questions and concerns.
- **Usability.** Complete information is useful only if it is in useable form. Executive summaries, graphics, tables and decision-trees are ways to summarize complex information in an easier-to-understand manner.
- **Plain Language.** Acronyms, jargon and technical language should be avoided. Any term that is likely to be unfamiliar to the average resident should be either defined or avoided in favor of more easily understandable wording. Be succinct and prepare executive summaries for the members as often as possible.
- **Analytic Framework.** Agency staff should use a consistent framework for presenting policy analyses. Typical components include: problem definition, options and alternatives, evaluation of options, staff recommendation, implementation and evaluation.

Subjects of Communication

Board/executive communications should include not only what is happening or needs to happen, but how decision-making processes occur. This can be especially important on major or potentially contentious issues. The governing body may feel it needs additional time to evaluate the difficult issues presented or engage in additional public engagement processes to hear and consider public input.

More Resources

International City/County Management Association and National League of Cities, *Working Together: A Guide for Elected and Appointed Officials* (1999)

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¹ Julia Novak and John Nalbandian, Preparing Councils for Their Work, *PM Magazine* (August 2009) available at <http://webapps.icma.org/pm/9107/public/feature3.cfm?author=Julia%20Novak%20and%20John%20Nalbandian&title=Preparing%20Councils%20for%20Their%20Work&subtitle>

² See *Wolfe v. City of Fremont*, 144 Cal. App. 4th 533 (2006); Cal. Gov't Code § 54952.2(b):

(b) (1) A majority of the members of a legislative body shall not, outside a meeting authorized by this chapter, use a series of communications of any kind, directly or *through intermediaries*, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body.

(2) Paragraph (1) shall not be construed as preventing an employee or official of a local agency, from engaging in *separate* conversations or communications outside of a meeting authorized by this chapter with members of a legislative body in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the local agency, if that person does not communicate to members of the legislative body the comments or position of any other member or members of the legislative body.

See also *Open and Public IV: A User's Guide to the Ralph M. Brown Act* (2010) at 17 (noting that chief executive officer briefings can be a violation of the state's open meeting laws when the process reveals information about governing body members' respective views).

³ From Mike Conduff, Council Relations, *PM Magazine* (June 2012), available at <http://webapps.icma.org/pm/9405/public/council.cfm?author=&title=Council%20Relations&subtitle>

⁴ International City/County Management Association, *Partnerships in Local Governance: Effective Council-Manager Relations* (1989) at 42-45 (chapter by Kevin C. Duggan and Terry Ellis "Preparing Staff to Work with the Council").

Dealing with Bumps in the Road

At some point in the journey, the board/executive relationship may encounter difficulties. In fact, a consistently comfortable relationship could in itself be an indicator that one or both parties may be avoiding both testing ideas and possible conflict to the detriment of the agency and public they serve.

Strategies to Try¹

1. **Avoid Complacency.** Strong relationships require ongoing investment of time. The environment, challenging situations, changes in players, unanticipated demands and day-to-day politics all place stress on board/executive relationships. Take time to step back and assess relationships on an ongoing basis. Be prepared to adjust approaches if necessary.
2. **Communicate.** Often, communication is the first place where relationships begin to suffer. Something happens; human nature can be to avoid confrontation and uncomfortable discussions. When communication barriers emerge, schedule time for a private face-to-face and earnest discussion with the individual in question. Acknowledge any elephants-in-the-room, share perspectives of what happened, and explore how to improve the relationship.
3. **Address Issues Directly.** Avoidance tends to make problems fester; rarely does avoidance cause problems to go away.
4. **View the Relationship as a Partnership.** Work together to address community needs without focusing on distinctions between policy and administration. Each party to the relationship should feel that their contributions are valued and respected.
5. **Avoid Being a Barrier to Staff Contact with Electeds.** Electeds may prefer to deal with staff directly; staff should keep the chief executive in the loop when significant issues come up in their conversations with members of the governing body.
6. **Focus Credit and Attention on Elected Officials².** The center of positive attention at governing body meetings or at community meetings should be elected officials, not staff.
7. **Try to See the Situation from Others' Perspectives.** Ask open-ended, non-judgmental and even-toned questions. Take a step back to assess what happened and is happening in the relationship. Ask clarifying questions to understand the perspective of the other person; share your own perspective in neutral terms. Examine the problem and not the individuals. Treat the situation as a learning opportunity to avoid future missteps.

8. **Delve Deeper.** Listen for the meaning behind the words. Try to identify the underlying issues, which may have both a logical and an emotional dimension. What are the values, beliefs and anxieties that might be at stake? Sometimes the issue is not more data and facts; it is about connecting on a more personal level. Sometimes people just want to be acknowledged and understood.
9. **Accept Responsibility.** You have surely contributed to the difficulties in a relationship, intentionally or unintentionally. Accept responsibility, apologize if necessary, discuss how to avoid a repeat and move on.
10. **DWYSYWD (“Do What You Say You Will Do”).** People may judge your commitment to a board/executive relationship by what you do, not what you say. If a relationship has been damaged, the first thing people will look for is evidence of commitment to rebuild the relationship. Do what you said you will do. It will be noticed. Start with simple steps (for example, gather information, arrange a meeting, resolve a problem, or create a follow-up plan). These can be immediate and observable demonstrations of your sincerity in wanting to address concerns.
11. **Find a Confidant.** Serving as an elected official or a chief executive can be a solitary world. Identify an objective sounding board to bounce ideas off of and test assumptions and theories. The best confidants are typically outside your organization. They say what you need to hear, not necessarily what you want to hear and can help you navigate through difficult issues.
12. **Take Care of Yourself.** Maintaining a balance in the demands of public service and personal life is challenging. Make time to get away, to decompress, to work off frustrations, to reflect, and create space between public service and your private life. Working through difficulties requires a certain mental and emotional stamina. In addition, people can overreact when they are tired and under stress. Even if it is only an hour at the gym or a long weekend, make time for yourself.

Red Flags for Relationship Attention²

- **Instinct.** If your sense is something isn't as good as it might be, you may well be right. Don't hope it goes away.
- **Information Flows Diminish.** Sometimes one party will feel the other isn't keeping them properly informed or they aren't getting the information they need to do their respective jobs well. Other times, the issue may be that people communicate less and less frequently or information isn't being shared equally.
- **Interpersonal Relations.** Another warning sign is when the chief executive or board member stops being included in conversations that he or she would ordinarily be included in. Watch for any signs of changes in the relationship changes (less forthright/more evasive)
- **Performance Reviews.** Avoiding an annual review (the board doesn't want to give one or the chief executive doesn't want to receive one) can be a sign of trouble.
- **Badmouthing.** This usually signifies significant frustration levels.
- **Focal Point is the Staff.** Another potential sign of trouble is when the chief executive or other staff become the focus of media or election attention.
- **Dissatisfaction with Staff.** Governing board members are dissatisfied with key staff and the chief executive is perceived as not addressing the problem and/or being able to get things done.
- **Trust Diminishes.** The governing board regularly second guesses the executive's recommendations.

About the Institute for Local Government

This tip sheet is a service of the Institute for Local Government (ILG) whose mission is to promote good government at the local level with practical, impartial and easy-to-use resources for California communities. ILG is the nonprofit 501(c)(3) research and education affiliate of the League of California Cities, the California State Association of Counties and the California Special Districts Association.

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¹ Heifetz, Ronald A. and Marty Linsky, *Leadership on the Line: Staying Alive through the Dangers of Leading*, 2002, Harvard Business School Press, Boston.

² International City/County Management Association and National League of Cities, *Working Together: A Guide for Elected and Appointed Officials*, 1999 at pages 63-71.

A Key Ingredient for Success: An Effective City Council/City Manager Relationship

Kevin C. Duggan
ICMA West Coast Regional Director

Introduction

Mayors and councilmembers need to have effective working relationships with a number of key audiences in order to successfully undertake their responsibilities. These audiences include citizens/voters, community groups, the press, other governmental agencies, other elected officials, nonprofit organizations and many more. However, critical to a successful and satisfying career on the city council in a city council/city manager form of government is a successful and effective working relationship with the city manager. This article suggests the necessary ingredients for a mutually successful council/manager working relationship.

The City Council/City Manager Form of Local Government:

The "Council/Manager Plan" is designed for the elected city council to set policy direction as the direct representatives of the community with the city manager providing the professional expertise to manage the organization and carry out the council's direction. Policy direction is provided in a variety of ways, including through local laws/ordinances, planning policies (general plan and zoning), financial policies, the annual budget and capital improvement plan, the adoption of city council policies and through numerous other program directives.

The city manager is responsible for carrying out the council's policy direction through the day-to-day management of city functions, including the oversight of city operating departments. Key tasks associated with this role include the hiring and supervision of department heads, the implementation of the annual budget and the assurance of quality service delivery. This "plan" is predicated on the philosophy that elected representatives are better able to make community value judgments on behalf of residents and translate these values into policy direction—the "what" in city government. It is also based on the belief that professional staff are best able to determine the "how" of implementing policies and delivering day-to-day services due to their experience and training. Since both roles are closely related, it is the city manager's responsibility to coordinate between both realms to assure the effective delivery of services consistent with city council direction.

This is often referred to as the policy/administration dichotomy (the separation of these responsibilities)—which, oftentimes, has a good deal of "gray" on the boundaries. When it works most effectively, the elected officials focus on the big picture of policy

development and minimize their role relating to administrative implementation while the staff works to avoid an undue influence on policy development while focusing on policy implementation and service delivery. While the line between the two can become blurred, the city council/city manager system is subject to failure if the line is disregarded.

If the city council and the city manager have an effective and mutually supportive working relationship, the likelihood of the policy and administrative roles being effectively coordinated increases significantly, resulting in a more successful city governance and management.

Among the issues to consider in trying to establish the best possible city council/city manager working relationship are the following:

- The relationship cannot be taken for granted and requires attention and work to establish and maintain. If not diligently pursued, it will not be accomplished.
- The work of city councils is not easy! Not only do you confront the typical challenges of group decision-making, but the "group" in this case may not have a great deal in common. Also, the issues can be weighty and controversial. The decision-making is also done in public, often on TV or the Web, scrutinized by the public and press, and anyone can join in on the deliberations.
- Among the factors that can get in the way of an effective relationship include:
 - Not understanding/appreciating/respecting each other's roles.
 - Differing philosophies.
 - Differing personalities.
 - Challenging issues.
 - External pressures from the media, community groups, employee organizations, etc.
- Fully appreciate that you need to establish a good working relationship with your fellow councilmembers and the city manager in order to maximize:
 - Organizational performance.
 - Organizational reputation.
 - Value to the community.

- Personal reputation.
- Community pride and confidence.
- Don't underestimate how important it is to a city manager to have a good working relationship with the city council. It has been reported that the relationship with the city council is the primary factor impacting a city manager's job satisfaction. Among the reasons for this are the following:
 - City councils are the source of formal performance feedback. Like almost everyone, positive feedback from supervisor(s) is very important.
 - City councils control the city manager's job security.
 - City councils determine the city manager's compensation.
 - City councils establish the city manager's "parameters of success."
 - City council support for the city manager, particularly during tough times, is of tremendous value.

Recommended Practices:

So while the stakes are high and the challenges significant, there are a variety of "best practices" and techniques that can improve the odds of your individual success as a mayor or councilmember, as well as the success of the city council and city as a whole.

The following are offered as ideas to consider in your efforts to establish and maintain a strong and effective working relationship with your city manager:

- **Recognize that you are now "different" than before you were elected (and more than you may realize):**

You are now viewed as a community/city leader and what you do and say can have a much greater impact. Your comments will now be viewed as representing "the city." What you do and say will also be more closely scrutinized. You should be aware that the city staff will view you much differently now that you are one of the organization's leaders. Even an offhand comment can be viewed as a directive for action. So even though you may not view yourself any differently than before you were elected, don't underestimate to what degree others are viewing you differently.

- **Understand and respect the city council/city manager plan of governance:**

It is critical for you to understand why your city is organized under this plan of governance and how it should operate. It is important to understand and appreciate the distinction between policymaking and implementation and the different roles played by individual councilmembers, the city council as a whole, the city manager and the city staff.

- **Allow time for you and the city manager to get to know each other and develop a working relationship:**

Try not to overly rely on what you have heard from others regarding what it will be like to work with the manager—others' views may or may not be accurate. Most city managers understand the need to work very hard to adjust to the issues, concerns and priorities of the new city council. Try to be open-minded to your ability to establish a productive and effective working relationship with the manager.

- **City managers will do their best to carry out the policy direction of the city council (even when there is a major change in policy direction):**

Professional city managers are committed to carry out the policy direction of the city council regardless if they personally agree or disagree with the policy as long as what they are asked to implement is:

- Legal.
- Ethical.
- Within their/the city's authority.

It is often misunderstood that when a city manager effectively implements a city council's policy, the manager personally agrees with the policy or can only implement city services consistent with that policy. City managers can change the organization's approach to an issue as may be directed by a new city council. Avoid overly associating the city manager with the policies that the city has previously implemented at the direction of the previous council.

- **Take your role seriously, but not yourself:**

This common advice is particularly important for mayors and councilmembers. While you are doing important and serious work on behalf of the community, you will do it better and more effectively if you keep the normal "ups and downs" and "wins and losses" in perspective. You were elected to make tough decisions on

oftentimes controversial issues. It's a given that you will be criticized and there will be those who vehemently disagree with your decisions. That is unavoidable. Develop a thick skin and do your best to not take personally the conflicts and disagreements that are a normal part of your new role. If you don't develop a thick skin, you will overreact to criticism.

Additionally, you are now part of an organization and will be blamed/criticized for the actions of the organization that you had nothing to do with. That is the reality of your new role and you should keep that in mind.

And remember, the city manager is not always to blame when things go wrong, though he/she should take appropriate responsibility for the organization's actions. It can be easy to focus your frustration on the city manager. You will be happier and more effective if you can experience the normal "ups and downs" of city life without needing to always find someone at fault.

Whatever the issue or encounter, try not to take it personally. Try to keep personal likes and dislikes out of the equation. Your fellow councilmembers and the city manager are not your family or personal friends; they are your "professional colleagues," and you need to work effectively with them even if you would not select them as friends.

Lastly, always "live to fight another day." There are always future issues to decide; focus on those versus the votes already taken. And always remember not to burn bridges due to a difficult defeat; you will need those "bridges" for future votes!

- **Appreciate the legitimate difference between the "community perspective" and the "professional/technical" perspective:**

While you will primarily view issues from your perspective as a resident/citizen in a manner similar to the other residents of the community, the city staff will often have a more "technical/professional" perspective. What might make a great deal of sense to the staff looking at an issue from a purely "business" point of view may not be the right answer based on community perspectives and values. While the city manager will do his or her best to bridge the gap between the two points of view, it is very helpful for councilmembers to understand that while the staff should be sensitive to community values, they will often raise issues based on their professional training that can differ from a purely community values point of view. An appreciation for these varied perspectives is critical to the council-staff relationship. That does not mean the one perspective is "right" while the other is "wrong"; but both parties should try to understand and appreciate the views of the other.

- **Don't fall into the trap of feeling you are VERY special:**

While being elected to a city council is an honor bestowed upon you by the voters, keep that "honor" in perspective. Citizens view electing you as showing trust in your judgment in representing their interests in community decision-making. They did not elect you because they felt you were personally deserving of special rights and privileges. Don't expect the city manager or staff to be able to assist you in ways outside your formal role on the city council. By and large, they will be required to treat you just the same as any other citizen on matters outside the realm of your official duties. Any compensation and "perks" of office should be visible and public.

- **Professional city managers will not "play favorites":**

Professional city managers will strive to have a positive working relationship with all the members of the city council regardless of personality, philosophy or positions on specific issues. They will also not let personal likes or dislikes affect how he or she interacts with councilmembers, and you should not expect the manager to act otherwise.

- **It is critical to city managers to have clear policy direction:**

The city manager and the city organization cannot carry out the policy direction of the city council if that direction is not clearly established. The clearer the direction, the more effectively the manager and staff can implement. Even when the council is split on an issue, the majority's will needs to be clearly stated. The manager should seek clarification from the city council when necessary.

- **Be sensitive to the need for city managers to sometimes tell you "what you don't want to hear":**

One of the least favorite tasks for a city manager is to tell an individual councilmember or the council as a whole something they don't want to hear. This could range from a mistake the organization has made to informing a councilmember that something they want done (or want to do) cannot be done or is not appropriate. While city managers try to be as flexible as possible in meeting the needs of the city council, you will not be well served by a manager who will not tell you when something is not appropriate or cannot be achieved simply to avoid appearing uncooperative. While the manager needs to be clear why the request cannot be fulfilled, it is very helpful to understand the manager has a professional obligation to give you advice contrary to what you would like to hear when he/she is so required.

- **Why managers can't always do what you want them to do:**

The manager can often be confronted with a situation of an individual council-member wanting something done that is not consistent with the wishes of the city council. The manager needs to respond to the direction of the city council as a whole. While managers try to be as responsive as possible to the needs/desires of individual members, on matters of any consequence, the direction of the city council will often be required.

- **Take your role to evaluate your city manager's performance seriously:**

Like any other employee, the city manager benefits from regular and thoughtful performance evaluations. Performance evaluations are an important communication tool between the manager and council. Working for multiple individuals is challenging enough without clear and consistent feedback on performance. At least annual evaluations should be conducted. This provides the opportunity to communicate how the council views the manager's performance, including areas of strength and areas for potential additional emphasis. This is also the only opportunity for the council as a whole to provide this input in private. Use this valuable communication tool effectively.

- **Tolerance for organizational imperfection (mistakes!):**

While no one likes mistakes, they are unavoidable in the context of organizational life. Cities are complex organizations dealing with a wide variety of services with unique and sometimes challenging clientele. It is not a matter of whether mistakes will be made, but when. It is critical as a leader of your city that you react to mistakes appropriately. While mistakes should be avoided to the greatest extent possible, overreacting can cause further damage. You should expect that mistakes will be addressed promptly, fully disclosed and that steps will be taken to avoid repeating the same mistakes again. You will need to trust the manager to follow up and effectively address the situation when organizational miscues occur. So, have high expectations but recognize that mistakes will occur, even in the best organizations and try not to overreact when they do.

- **Support of reasonable risk-taking:**

High-performing organizations will occasionally need to take "reasonable risks" in order to achieve community objectives. Sometimes these endeavors will not be successful. However, organizations that avoid ANY unnecessary risk are not likely to accomplish a great deal. While city councils need to be informed and concur that the risk being taken is reasonable for the potential benefit being gained, councils should also be understanding that projects and initiatives that have inherent unknowns may not always turn out as hoped. Intolerance for any

mistakes/risk will breed an overly conservative organization and will stifle creativity and flexibility and the benefits these values can bring.

- **Try to focus feedback on service quality, not individuals:**

An ongoing challenge is the difficulty of reconciling the ultimate responsibility of the city council for city service quality versus the need to avoid interfering in the daily management of the organization. It is much better for the city council to communicate service level or quality concerns to the city manager versus performance judgments regarding individual staff members. It is particularly inappropriate for individual members or the council as a whole to try to direct the manager to hire, fire, or promote members of the city staff.

- **Don't expect managers to take sides in councilmember disputes:**

Regardless of how they may personally feel, most city managers will avoid, at all costs, "taking sides" in disputes between councilmembers. While on occasion the manager might try to help reconcile councilmembers, don't expect the manager to take your side in a dispute with a fellow member. Even if they may agree with you, most managers will avoid taking part in public or private criticism of councilmembers unless professionally required to do so in extreme cases.

- **Don't jump to conclusions regarding citizen/customer feedback:**

While it is your responsibility to be available to listen to citizen and customer feedback regarding the city organization, be careful not to jump to conclusions based on what you are told. Oftentimes an individual may sound completely sincere and credible while providing you an inaccurate account of their experience with the city organization. It is best to not jump to conclusions, one way or the other, until the manager is able to provide you a response to the concern. It is embarrassing to criticize staff for poor performance only to find out that the information you relied on was not accurate. At the same time, the manager needs to not be overly defensive regarding staff performance until he or she also has heard "both sides of the story."

- **Don't expect the manager to exercise "political leadership":**

While managers are inherently leaders of their organizations and, to varying degrees, in their communities, their role is not to be political leaders. That is, it is not intended for the manager to be "out front" on community policy issues. Sometimes city councils want managers to take leadership (advocate publicly) on controversial issues to avoid potential political consequences to themselves. While tempting, this is contrary to the intent of the council/manager plan under which the elected officials are to take the lead on purely policy matters.

- **Disagree with the recommendation/don't attack the "messenger":**

When dealing with a difficult issue at a council meeting, it can be tempting to not only disagree with the recommendation being presented, but to challenge/discredit the manager or staff member presenting the recommendation. The best practice is to focus your comments on the recommendation, not the individual. Having a policy discussion devolve into a personal attack is uncomfortable and embarrassing to everyone involved. Even if you are frustrated by the recommendation, it is poor form to attack the presenter. If you do have concerns regarding how a recommendation was developed or presented, that should be provided privately to the manager.

P.S.: Don't play "stump the staff" by trying to ask questions at the meeting that you think staff will have difficulty answering on the spot. It doesn't really make you look smarter, nor is it helpful to the deliberations to ask a question that cannot be answered. While staff members should work diligently to anticipate questions, it is not possible to anticipate all possible questions. If you really want the answer, get the question answered before the meeting or provide a heads up regarding what you will be asking.

- **Conduct yourself at council meetings in a professional/businesslike manner:**

Even on very controversial topics with greatly varying opinions, the council deliberation can be and should be "businesslike" and professional. While it may be more entertaining (possibly from a reality TV perspective) to see councilmembers and citizens yelling and having temper tantrums, it gets in the way of thoughtful deliberations and only tends to lower the respect for the council and city in the eyes of your constituents.

- **Consider the use of council team-building and goal-setting workshops:**

Recognizing the importance of both effective councilmember/councilmember and council/city manager working relationships, often an investment of time in team-building workshops is very worthwhile. These workshops allow for a thoughtful conversation of working relationships outside the context of discussing specific issues. These discussions can help create a better understanding of work styles and perspectives.

Additionally, recognizing that clear direction and priorities are critical for effective council/manager relations, goal-setting workshops can be very effective forums for establishing city council and organizational priorities.

- **Have a clear understanding with the manager of the type and frequency of communication you prefer:**

While a fundamental value of city managers is to provide regular and complete information equally to each councilmember, councilmembers can vary significantly regarding the type and frequency of contact with the manager they desire. While the manager will use written reports in one form or another as a base line of information to all the members, it is important for the manager to understand your preference for how information should be communicated, including the frequency of personal contact. While some members prefer regular "face-to-face" contact with the city manager, others prefer less time-intensive information-sharing methods. While sharing the same information among all councilmembers, it is helpful for you and the manager to understand how much and what type of contact you prefer.

- **Do your homework:**

It takes time and effort to be a successful councilmember. It makes the manager's and staff's job a lot easier if you have reviewed the reports and related materials provided to you prior to the city council meeting. This facilitates efficient meetings, accelerates decision-making and gives the impression that staff and council are working well as a team. Additionally, it will avoid you appearing unprepared to your fellow councilmembers, the staff and your constituents.

- **Trust above all:**

As in all relationships, the city council/manager relationship must be based on trust. Other potential obstacles such as differing personalities, styles, philosophies, etc., can be overcome if there is mutual trust. Without trust, little else will be successful. Both parties need to treat each other with respect and be truthful and forthcoming in their dealings.

- **No Surprises:**

Both the manager and council should do their best to make sure that important information is not first learned from others. While in this age of instant communication this is more difficult, and in some cases impossible, the parties should do their best to make sure that noteworthy information to which they are privy is not communicated to other organizational leaders by third parties (particularly the media). The manager needs to work hard to make sure that the council is not taken off guard while councilmembers should keep the city manager in the loop as well. "Surprises" can have a very negative impact on the working relationship in that it speaks directly to the trust issue.

- **Work through the city manager to get things done:**

While practice and philosophy can vary to some degree between cities, councilmembers should generally work through the city manager to obtain action by staff. Individual councilmembers are not authorized to direct staff, though routine referral of citizen requests (or to simply request information) is sometimes appropriate depending on local practice. Coordinating through the manager will make sure the issue is sent to the right staff person for action and will allow the manager to confirm timely follow-up. This also helps the manager stay informed regarding issues of community concern.

- **Council/Mayor Role:**

It is also important to make sure there is clarity between the council, the manager and the mayor on respective roles. At times there can be a conflict between the role the mayor views themselves as playing and the expectations of the remainder of the council. It is difficult if the manager gets caught in a dispute over these respective roles. In particular, how the city manager relates to the mayor versus the other councilmembers needs to be clear.

- **Don't blame the manager or staff for carrying out the direction of the city council:**

The city manager and staff are required to faithfully carry out the direction of the city council, regardless if they did or did not recommend it and regardless if some councilmembers oppose it. Respect the staff for faithfully carrying out the will of the council, whether or not you share the view of the council majority.

- **If the council/manager relationship is not going well:**

If you or the council are having difficulty with the city manager, try your best to resolve the issue. First of all, find an appropriate way to communicate the concerns. The manager can't respond if he/she is not aware of the concern. As noted earlier, try to obtain clear council consensus for the expectations for the manager and communicate those expectations clearly. Try to be optimistic regarding the possibility of the manager making adjustments to satisfy the concerns of the council and give sufficient time to do so. Additionally, provide the manager opportunities to respond to the feedback and communicate how he/she will address the concerns.

- **If all else fails and there needs to be a "parting of the ways":**

A forced separation of the manager is not a good experience for the council, the manager or the city. It can be costly, controversial and can cast everyone in a negative light. It can also erode citizen confidence in the city. Assuming all

reasonable steps have been taken to avoid a forced transition and recognizing a parting based on "irreconcilable differences" is always better than an "ugly, contested divorce" (in an "ugly divorce," both parties end up looking bad), keep the following in mind:

- Keep it professional.
- Don't unnecessarily damage the manager's reputation—it is not needed to make a change.
- Provide a reasonable period of time for the manager to find another position or provide reasonable severance—it takes time to find a manager's job.
- Remember, how you handle the transition of the current manager will have an impact on the quality of the candidate pool for the next manager.

Summary/Concluding Thoughts:

An unstable council/manager relationship has negative consequences for the city council, the manager, the organization and the community. A positive and mutually supportive relationship will increase the odds of having a high-performing and successful city. The councilmembers and manager need to make creating, supporting and sustaining the relationship a high priority. If made a high priority, the odds of success are great.

Remember that your service on the city council is a unique honor that has been bestowed on you by your fellow citizens. While it is often a challenge, with inherent difficulties, someone needs to do it and your community has selected you for that responsibility. You have been selected to serve in a professional and honorable manner, during good times and bad. Your service on the city council will be over soon enough. Conduct yourself in a manner that will allow you to look back with pride—not only for what you accomplished, but also the way in which you conducted yourself (which will likely be remembered the longest).

KCD/LS/7/MGR
679-11-30-10A-E^

Compensation Survey - City Manager

Bay Area Cities

Information as of June 2017

Updated 8/30/17

| All Annual - Based on Current Incumbents | | | | | | | | | | | | | | |
|--|------------|---------------|-----------------|--------------------------|------------------------------------|----------------------------------|-----------------|--|-------------------------------|-----------------------|-------|--------------------|--|--|
| Agency | Salary | Car Allowance | Other Allowance | Total \$: Salary & Cash | City Paid Deferred Compensation | Total \$: Deferred Compensation | CalPERS Formula | Employee Paid PERS (include paying for City) | Total \$: Employee Paid PERS | Max City Paid Medical | Bonus | TOTAL COMPENSATION | Pension at Retirement - % of Final Comp ⁽¹⁾ | Pension at Retirement - Estimated Amt ⁽¹⁾ |
| Fremont | \$304,448 | \$0 | \$0 | \$304,448 | 401(a): 2%+\$11,344 + 457: \$5,400 | \$22,833 | 2.5% @ 55 | 8.00% | (\$24,356) | \$24,362 | \$0 | \$327,286 | 75.00% | \$228,336 |
| Mountain View ⁽²⁾ | \$278,334 | \$0 | \$600 | \$278,934 | 2% | \$5,567 | 2.7% @ 55 | 11.50% | (\$32,008) | \$33,457 | \$0 | \$285,950 | 81.00% | \$225,451 |
| Palo Alto | \$298,542 | \$7,200 | \$0 | \$305,742 | \$54,000 | \$54,000 | 2.7% @ 55 | 8.50% | (\$25,376) | \$24,096 | \$0 | \$358,462 | 81.00% | \$241,819 |
| Redwood City ⁽⁵⁾ | \$266,412 | \$4,800 | \$0 | \$271,212 | 2% | \$5,328 | 2% @ 60 | 14.00% | (\$37,298) | \$20,594 | \$0 | \$259,836 | 60.00% | \$159,847 |
| San Mateo | \$255,938 | \$4,500 | \$0 | \$260,438 | none | \$0 | 2% @ 55 | 7.50% | (\$19,195) | \$20,594 | \$0 | \$261,837 | 67.86% | \$173,680 |
| Santa Clara ⁽³⁾ | \$372,886 | \$6,600 | \$45,000 | \$424,486 | 401(a): 5% + 457: \$18,000 | \$36,644 | 2.7% @ 55 | 8.00% | (\$29,831) | \$33,143 | \$0 | \$464,442 | 81.00% | \$302,038 |
| Average | \$296,093 | \$3,850 | \$7,600 | \$307,543 | | \$20,729 | | 9.58% | (\$28,011) | \$26,041 | \$0 | \$326,302 | 74.31% | \$221,862 |
| Sunnyvale | \$274,713 | \$6,000 | \$0 | \$280,713 | 401(a): 2% + 457: \$17,500 | \$22,994 | 2% @ 60 | 4.00% | (\$10,989) | \$33,143 | \$0 | \$325,861 | 60.00% | \$164,828 |
| Sunnyvale above/(below) average - in \$: | (\$21,381) | \$2,150 | (\$7,600) | (\$26,831) | | \$2,266 | | -5.6% | \$17,022 | \$7,102 | \$0 | (\$441) | -14.3% | (\$57,034) |
| Sunnyvale above/(below) average - in %: | -7.2% | 55.8% | -100.0% | -8.7% | | 10.9% | | -58.3% | -60.8% | 27.3% | 0.0% | -0.1% | -19.3% | -25.7% |

Notes:

(1) Pension at retirement estimation is based on retiring at age 60, with 30 years of service, and not accounting for EPMC (not all agencies contracted EPMC as compensation).

(2) Mountain View: Other allowance - Cell phone

(3) Santa Clara: Deanna Santana

Other allowance - Housing

Compensation Survey - City Manager

California Large to Mid-Size Cities

Information as of June 2017

Updated 8/25/17

| All Annual - Based on Current Incumbents | | | | | | | | | | | | | | |
|--|------------|---------------|-----------------|--------------------------|---------------------------------------|----------------------------------|-----------------|--|-------------------------------|-----------------------|-------|--------------------|--|--|
| Agency | Salary | Car Allowance | Other Allowance | Total \$: Salary & Cash | City Paid Deferred Compensation | Total \$: Deferred Compensation | CalPERS Formula | Employee Paid PERS (include paying for City) | Total \$: Employee Paid PERS | Max City Paid Medical | Bonus | TOTAL COMPENSATION | Pension at Retirement - % of Final Comp ⁽¹⁾ | Pension at Retirement - Estimated Amt ⁽¹⁾ |
| Carlsbad | \$303,160 | \$12,000 | \$0 | \$315,160 | \$24,000 | \$24,000 | 2% @ 60 | 7.00% | (\$21,221) | \$17,664 | \$0 | \$335,603 | 60.00% | \$181,896 |
| Fremont | \$304,448 | \$0 | \$0 | \$304,448 | 401(a): 2%+\$11,344 + 457: \$5,400 | \$22,833 | 2.5% @ 55 | 8.00% | (\$24,356) | \$24,362 | \$0 | \$327,286 | 75.00% | \$228,336 |
| Mountain View ⁽²⁾ | \$278,334 | \$0 | \$600 | \$278,934 | 2% | \$5,567 | 2.7% @ 55 | 11.50% | (\$32,008) | \$33,457 | \$0 | \$285,950 | 81.00% | \$225,451 |
| Palo Alto | \$298,542 | \$7,200 | \$0 | \$305,742 | \$54,000 | \$54,000 | 2.7% @ 55 | 8.50% | (\$25,376) | \$24,096 | \$0 | \$358,462 | 81.00% | \$241,819 |
| Redwood City ⁽⁵⁾ | \$266,412 | \$4,800 | \$0 | \$271,212 | 2% | \$5,328 | 2% @ 60 | 14.00% | (\$37,298) | \$20,594 | \$0 | \$259,836 | 60.00% | \$159,847 |
| San Mateo | \$255,938 | \$4,500 | \$0 | \$260,438 | none | \$0 | 2% @ 55 | 7.50% | (\$19,195) | \$20,594 | \$0 | \$261,837 | 67.86% | \$173,680 |
| Santa Clara ⁽³⁾ | \$372,886 | \$6,600 | \$45,000 | \$424,486 | 401(a): 5% + 457: \$18,000 | \$36,644 | 2.7% @ 55 | 8.00% | (\$29,831) | \$33,143 | \$0 | \$464,442 | 81.00% | \$302,038 |
| Torrance | \$268,380 | \$5,352 | \$0 | \$273,732 | 0.5% matching | \$1,342 | 2% @ 55 | 0.00% | \$0 | \$12,252 | \$0 | \$287,326 | 67.86% | \$182,123 |
| Average | \$293,513 | \$5,057 | \$5,700 | \$304,269 | | \$18,714 | | 8.06% | (\$23,661) | \$23,270 | \$0 | \$322,593 | 71.72% | \$211,899 |
| Sunnyvale | \$274,713 | \$6,000 | \$0 | \$280,713 | 401(a): 2% + 457: \$17,500 | \$22,994 | 2% @ 60 | 4.00% | (\$10,989) | \$33,143 | \$0 | \$325,861 | 60.00% | \$164,828 |
| Sunnyvale above/(below) average - in \$: | (\$18,800) | \$944 | (\$5,700) | (\$23,556) | | \$4,280 | | -4.1% | \$12,672 | \$9,873 | \$0 | \$3,268 | -11.7% | (\$47,071) |
| Sunnyvale above/(below) average - in %: | -6.4% | 18.7% | -100.0% | -7.7% | | 22.9% | | -50.4% | -53.6% | 42.4% | 0.0% | 1.0% | -16.3% | -22.2% |

Notes:

(1) Pension at retirement estimation is based on retiring at age 60, with 30 years of service, and not accounting for EPMC (not all agencies contracted EPMC as compensation).

(2) Mountain View: Other allowance - Cell phone

(3) Santa Clara: Deanna Santana
Other allowance - Housing

**CITY OF SUNNYVALE
SALARY RESOLUTION**

7.105. SALARY RATES. The minimum rate at which employees in Categories D, E, ~~F~~, K and M may be hired is 85.0% of the Control Point for that classification; the maximum is 100% of Control Point. Appointments made above 95.0% of Control Point require recommendation of the Department Director, and approval of the City Manager for all, but Category K. Determinations on Category K employees are made by the City Attorney.

The minimum and maximum rates at which employees in Categories F may be hired are established for that classification in Exhibit "A" (posted Salary Tables). All appointments require approval of the City Manager.

7.110. CONTROL POINTS AND SALARY RANGES. MANAGEMENT. Control Points for Management classifications are as established in Exhibit "A" (posted Salary Tables). The range for each classification in Categories D, E, K and M extends from 85.0% of the Control Point up to the Control Point (100%). The range for each classification in Categories F are as established in Exhibit "A" (posted Salary Tables). The salary range from the minimum to the maximum is 20%.

7.130. MERIT INCREASE. MANAGEMENT. Upon completion of 13 pay periods of service, employees in Categories D, ~~F~~ and K who receive an overall rating of achieves or exceeds expectations on their most recent performance evaluation may receive an increase in salary above the rate to which they were initially assigned, up to but not exceeding the Control Point.

The pay rate for employees in Categories D, ~~F~~ and K will be considered for adjustment beyond that granted after the first 13 pay periods of service following the completion of 26 pay periods from the prior increase in salary, up to but not exceeding the Control Point. Increases in salary shall be granted effective with the pay period immediately following the completion of 26 pay periods. The pay rate adjustment is subject to an overall rating of achieves or exceeds expectations on the employee's most recent performance evaluation. Increases of more than 5% require approval of the City Manager.

Upon completion of 26 pay periods of service, employees in Category F who receive an overall rating of achieves or exceeds expectations on their most recent performance evaluation may receive an increase in salary as determined by the City Manager, above the rate to which they were initially assigned, up to but not exceeding the Control Point. The pay rate will be considered for adjustment beyond that granted after the first 26 pay periods of service following the completion of an annual performance evaluation, up to but not exceeding the Control Point. The pay rate

adjustment is subject to an overall rating of achieves or exceeds expectations on the employee's most recent performance evaluation. All salary increases require approval of the City Manager. For extenuating circumstances and only for bona fide exceptions, the City Manager may increase salaries for a Category F employee outside of the annual performance review cycle.

7.190. SEVERANCE. Employees in Category F may be terminated or asked to resign at the discretion of the City Manager. Upon execution of a release of all claims against the City, the employee shall be eligible for severance payment. Upon separation, the employee shall be eligible for one (1) month of base salary as severance for each full year of employment with the City of Sunnyvale, with a minimum of three (3) months of salary and up to a maximum of six (6) months of salary. The severance benefit shall not be available if the employee is terminated for serious misconduct involving abuse of his or her office or position, including but not limited to waste, fraud, violation of the law under color of authority, misappropriation of public resources, violence, harassment or discrimination. If the employee is later convicted of a crime involving such abuse of his or her position, the employee shall fully reimburse the City as set forth in the Government Code section 53243.3.