

### **REPORT TO COUNCIL**

#### **SUBJECT**

Consider Amending (1) the Salary Schedule of the City's Salary Resolution to Increase the Control Point for the City Attorney Classification by Six Percent and (2) the Employment Agreement between the City of Sunnyvale and City Attorney John A. Nagel to Increase the Salary by a Corresponding Amount

#### **BACKGROUND**

The City Council met in closed session on June 26, 2018 to discuss and provide direction regarding the City Attorney's Employment Agreement. Section 5 of the City Attorney's Employment Agreement provides for annual evaluation of his compensation, which includes consideration of merit based and "across the board" compensation increases provided to department directors and non-represented management employees and consideration of a competitive market compensation for City Attorney. Section 8 of the City Attorney's Employment Agreement provides for a formal review and evaluation of the City Attorney's performance by December 31<sup>st</sup> of each year. The City may choose to adjust the compensation to provide a reasonable and market-competitive compensation. The last annual increase of the City Attorney was July 16, 2017. This report presents the opportunity for the City Council to facilitate a public discussion.

#### **EXISTING POLICY**

Council Policy 7.3.1 Legislative Management - Goals and Policies, Goal 7.3D: Maintain a quality work force, consistent with state and federal laws, City Charter, and adopted policies in order to assure that City services are provided in an effective, efficient, and high quality manner.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

#### **DISCUSSION**

The City Attorney's Employment Agreement provides for increases in the annual salary by written agreement of the parties or by inclusion of the agreed salary amount in any duly adopted ordinance or resolution of the City setting the City Attorney's salary or employee salaries generally.

The current control point and salary for the City Attorney is \$235,573 per year effective July 16, 2017. As the salary schedule is approved by the City Council, there is an opportunity for the City Council to adjust the control point for the City Attorney and to determine the salary placement. If the Council desires to increase the City Attorney's compensation beyond the existing control point, the salary schedule must be amended to reflect any change in the control point for the City Attorney position

because CalPERS requirements provide that employee compensation must be consistent with rates in a published salary schedule.

The City Council Compensation Sub-Committee is recommending to modify the salary control point and provide a salary increase of 6% as presented in attachment 2, effective July 15, 2018.

### **FISCAL IMPACT**

The impact of the full cost of a six percent increase is approximately \$12,400 and can be absorbed in the City Attorney's operating budget for Fiscal Year 2018/19. The twenty-year impact is approximately \$310,000 and will be incorporated into the FY 2019/20 Recommended Budget.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **ALTERNATIVES**

1. Adopt a resolution amending the City's Salary Schedule to increase the control point for the City Attorney classification by six percent, effective July 15, 2018, and authorize the Mayor to approve an amendment to the City Attorney's Employment Agreement to increase the annual salary by a corresponding amount.
2. Do not adopt a resolution amending the City's Salary Schedule for the City Attorney classification or authorize a corresponding amendment to the City Attorney's Employment Agreement.
3. Provide other direction to staff in the compensation for the City Attorney.

### **STAFF RECOMMENDATION**

Staff makes no recommendation. This report is developed to facilitate conversation for the public hearing and action by the City Council.

Prepared by: Vienne Choi, Principal Human Resources Analyst

Reviewed by: Tina Murphy, Director, Human Resources

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

### **ATTACHMENTS**

1. Compensation Survey
2. Amendment to Salary Resolution to Increase the Control Point for the City Attorney Position
3. Third Amendment to Agreement for Services between the City of Sunnyvale and John A. Nagel, City Attorney for the City of Sunnyvale