



File #: 26-0313, Version: 1

REPORT TO COUNCIL

SUBJECT

Transmittal of Charter Review Committee Report and Discussion and Direction on Next Steps

SUMMARY OF CHARTER REVIEW COMMITTEE (CRC) ACTION

On June 3, 2025, City Council held a joint meeting with the CRC (RTC No. 25-0212). At that meeting, Council reviewed the CRC's list of potential amendments to the City Charter and directed the CRC to study the following five potential amendments:

1. Charter Section 605 (Compensation): Increase City Council salaries and compensation, including for the mayor, without modifying the role of the mayor.
2. Charter Section 606 (Vacancies): Modify the current rule that councilmembers appointed to fill a vacancy serve until the next general municipal or consolidated statewide election to the next feasible November general election.
3. Charter Section 611 (Regular Meetings): Change the Charter provision that requires two Council meetings per month to instead require at least twenty-four meetings per year.
4. Charter Article 8 (City Manager): Add a provision to allow the City Manager to settle claims against the City in an amount greater than \$50,000.
5. Charter Section 1309 (Contracts on Public Works): Amend the Charter to allow other project delivery methods besides design-bid-build (lowest responsible bidder after notice of publications for bids).

Following Council direction, the CRC researched and analyzed each topic and developed proposed amendments for the City Council to consider placing on the November 2026 ballot.

On December 4, 2025, after receiving and weighing public input, conducting a community survey, and completing its analysis of each potential amendment, the CRC adopted the following recommendations:

1. Charter Section 605 (Compensation): Increase monthly salaries to \$6,000 for councilmembers, \$9,000 for the mayor, and retain the existing annual increase based on Consumer Price Index (CPI). The CRC also recommended that Council conduct polling prior to placing a measure on the ballot and, if supported by the polling results, consider lowering the proposed salary amounts.
2. Charter Section 606 (Vacancies): Modify the current rule that councilmembers appointed to fill a vacancy serve until the next general municipal or consolidated statewide election, to require appointments to fill vacancies until the next general municipal election only (November of even-numbered years).

3. Charter Section 611 (Regular Meetings): The CRC recommended no change to the Charter provisions related to City Council meeting frequency.
4. Charter Article 8/Section 1314 (City Manager Authority): Amend the Charter to allow the City Manager to settle claims against the City in an amount greater than \$50,000, with the specific settlement limit to be set by ordinance adopted by the Council. Concurrently with placing this measure on the ballot, adopt an ordinance setting the City Manager's settlement authority at \$150,000, to be effective only if voters approve the measure.
5. Charter Section 1309 (Contracts on Public Works): Amend the Charter to allow other public works project delivery methods permitted by state law, such as design-build.

The CRC did not rank or prioritize the proposed amendments as the CRC wanted Council to consider the items to determine the final ranking order.

Operational Considerations

Staff reviewed the CRC recommendations based on operational needs, return on investment, and overall benefit to the City. Staff also considered which items would be easiest for residents to understand and evaluate on the ballot. Based on this review, staff recommends prioritizing the potential Charter amendments in this order: (1) Public Works Contracting, (2) City Manager Authority to Settle Claims, (3) City Council Vacancies, and (4) Council and Mayor Compensation.

Should Council choose to proceed with a ballot measure regarding City Manager Authority to Settle Claims, staff recommends that Council consider aligning the City Manager Settlement Authority to the City Manager's contracting authority rather than setting it at a fixed dollar amount, to ensure that it keeps pace with inflation and to create policy alignment for City Manager fiscal authority (the City Manager's contract authority is currently \$250,000).

Staff is requesting Council direction on which potential amendments to include in public opinion polling and whether staff should return with additional materials for amendments that are not polled.

While CRC's proposed Charter amendments address important policy issues, staff recommends placing no more than two amendments on the November 2026 ballot. Placing too many measures on a single ballot could lead to voter fatigue and make it harder for voters to understand and evaluate each proposal.

If Council directs staff to conduct public polling, the target date to share results would be May 2026. Staff would return to Council by June 2026 with the required materials to place measure(s) on the November 2026 ballot. Staff normally brings these items to Council in or around June prior to a November election, to provide ample time to meet the County Registrar's election deadlines and provide information to the public regarding the ballot measures ahead of the election.

PUBLIC CONTACT

Public contact was made by posting the Council meeting agenda on the City's official-notice bulletin board at City Hall, at the Sunnyvale Public Library and in the Department of Public Safety Lobby. In addition, the agenda and this report are available at the City Hall reception desk located on the first floor of City Hall at 456 W. Olive Avenue (during normal business hours), and on the City's website.

ALTERNATIVES

1. Accept the Charter Review Committee Final Report and release the Charter Review Committee Members.
2. Prioritize the Charter Review Committee Recommendations as follows:
 1. Public Works Contracting (Charter Section 1309): Allow public works project delivery methods permitted by state law.
 2. City Manager Authority to Settle Claims (Charter Section 1314): Amend the Charter to allow the City Manager to align the City Manager's claim settlement authority to the City Manager's contracting authority, which is updated at Council direction by ordinance.
 3. City Council Vacancies (Charter Section 606): Amend the Charter to require Council appointments to fill vacancies to last until the next general municipal election only (November of even-numbered years).
 4. City Council and Mayor Compensation (Charter Section 605): Increase monthly salaries to \$6,000 for councilmembers and \$9,000 for the mayor, and retain the existing annual increase based on Consumer Price Index (CPI).
 5. City Council Meeting Schedule (Charter Section 611): Do not amend the Charter related to City Council meeting frequency.
3. Direct Staff on which potential amendment(s) to poll on and return to Council in May 2026 with polling results.
4. Other Council direction.

STAFF RECOMMENDATION

Alternatives 1, 2, and 3.

1. Accept the Charter Review Committee Final Report and release the Charter Review Committee Members.
2. Prioritize the Charter Review Committee Recommendations as listed in Alternative 2.
3. Direct Staff on which potential amendment(s) to poll on and return to Council in May 2026 with polling results.

Although all the proposed Charter amendments address important policy issues, staff recommends focusing first on those with the highest operational need and clearest benefit to the City. The recommended priorities improve efficiency, provide a clear return on investment, and are easier for residents to understand. Limiting the number of ballot measures also helps reduce voter fatigue and supports informed decision-making. This approach balances City operations, voter understanding, and responsible use of City resources.

LEVINE ACT

The Levine Act (Gov. Code Section 84308) prohibits city officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$500 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

An "X" in the checklist below indicates that the action being considered falls under a Levine Act category or exemption:

SUBJECT TO THE LEVINE ACT

- Land development entitlements
- Other permit, license, or entitlement for use
- Contract or franchise

EXEMPT FROM THE LEVINE ACT

- Competitively bid contract*
- Labor or personal employment contract
- Contract under \$50,000 or non-fiscal
- Contract between public agencies
- General policy and legislative actions

* "Competitively bid" means a contract that must be awarded to the lowest responsive and responsible bidder.

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ATTACHMENTS

1. Charter Review Committee Final Report