



COUNCIL AGENDA: 2-3-15
ITEM: 3.6

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: 1-29-2015

SUBJECT: INTERIM CITY MANAGER COMPENSATION

RECOMMENDATION

As recommended by the Rules and Open Government Committee on January 28, 2015 and outlined in the attached memo previously submitted by the Rules and Open Government Committee:

- (a) Adopt a resolution approving compensation and benefits for Interim City Manager Norberto Duenas, effective January 1, 2015, as outlined in the letter from Mayor Liccardo; and
- (b) Authorize the City Clerk to execute an agreement between the City of San José and Mr. Duenas for services as Interim City Manager.



Memorandum

TO: RULES & OPEN GOVERNMENT COMMITTEE **FROM:** Mayor Sam Liccardo

SUBJECT: INTERIM CITY MANAGER COMPENSATION **DATE:** January 15, 2015

APPROVE

DATE: 1-15-15

RECOMMENDATION

Agendize the following for the February 3, 2015 City Council meeting:

- a. Adopt a resolution approving compensation and benefits for Interim City Manager Norberto Duenas, effective January 1, 2015, as outlined in the letter from Mayor Liccardo (attached).
- b. Authorize the City Clerk to execute an agreement between the City of San Jose and Mr. Duenas for services as Interim City Manager as outlined in the attached letter.

BACKGROUND

The City Manager oversees and manages the day-to-day operations of the city and its 15 departments. In addition, the City Manager's Office directs the development and implementation of the City's Operating and Capital Budgets, which combined, total \$2.9 billion annually.

The former City Manager's last day of employment with the City was December 31, 2014. On December 30, 2014, the City Council appointed Norberto Duenas as Interim City Manager effective January 1, 2015. A City employee for 28 years in multiple capacities, Norberto has served as deputy city manager since 2008 overseeing a wide range of neighborhood and community service functions including libraries, housing, and parks and recreation services.

We are fortunate that Norberto was willing to step up and lead our City as we recover from very difficult fiscal circumstances and begin to restore services to our residents, and pay to our employees.

My recommendation for an annual salary of \$250,000, with no city-paid deferred compensation, is slightly less than the maximum of the authorized range of compensation for the position of City Manager.

January 15, 2015

Mr. Norberto Duenas

Dear Norberto,

Please accept this letter as a written confirmation of our discussions regarding your appointment as City Manager and the elements of a compensation and benefit package, subject to confirmation by the Council. The major provisions of this contingent offer to you are summarized as follows:

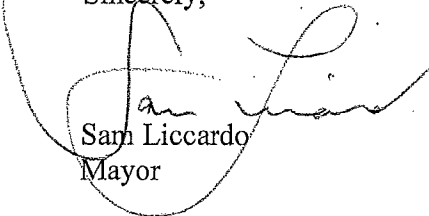
- **Salary:** Your starting bi-weekly salary will be \$9,615.38, which is equivalent to an annual amount of \$250,000.
- **Executive Benefits:** You will receive the Executive Management (Unit 99) Benefit and Compensation Plan (see attached summary). This includes a monthly automobile allowance in accordance with current policy.
- **Deferred Compensation:** No City contribution.
- **Severance:** The City will provide a severance pay equal to six months of salary for involuntary termination of employment.
- **Separation Notice:** You agree to provide a 30 day notice to the City of a voluntary resignation of your position.
- **Travel and Professional Development:** The City will provide expenses for normal and customary travel for work-related and professional development activities as provided by budget and/or Council approval.
- **Office Equipment:** The City will provide normal and customary office equipment for mobile and/or home use, such as a laptop and tablet.
- **Sick Leave:** Normal accrual per Unit 99 rates.

Mr. Norberto Duenas
Page 2

- **Vacation and Transitional Executive Leave:** You will accrue vacation at 200 hours per year, with a maximum of 400 hours. Executive leave will be in accordance with Executive Management (Unit 99) accrual rates. You will receive an additional 100 hours of executive leave effective January 1, 2015. Executive leave cannot be cashed out or carried over into calendar year 2016.
- **Other Items:** The City will consider CCMF Standard City Manager Employment Agreement items such as hours of work, professional development and an annual appraisal with a professional facilitator.
- **Effective date of employment:** January 1, 2015.
- **Term:** This agreement will expire when the City Council takes action to appoint a permanent City Manager, or if you notify the Council of your voluntary separation.

Congratulations on your appointment by the City Council. There are many challenges and opportunities ahead of us. With your experience, leadership skills and dedication to public service, I know that your leadership will be a great asset to our city. I look forward to working with you.

Sincerely,



Sam Liccardo
Mayor

Attachments