



DISCUSSION

City of San Bernardino Request for Council Action

Date: June 4, 2025

To: Honorable Mayor and City Council Members

From: Bill Gallardo, Interim City Manager

Department: City Manager's Office

Subject: **Approve a City Manager Employment Agreement (All Wards)**

Recommendation:

It is recommended that the Mayor and City Council of the City of San Bernardino, California:

1. Approve a City Manager Employment Agreement on behalf of the Mayor and City Council; and
2. Authorize the Mayor to execute the City Manager Employment Agreement on behalf of the Council.

Executive Summary

After an extensive search and selection process, the Mayor and City Council choose to negotiate with a candidate for the position of City Manager and now seek to enter into an employment agreement.

Background

Section 400 of the City Charter of the City of San Bernardino states that the Mayor and City Council shall appoint a City Manager and fix the City Manager's compensation, as provided in section 304(b) of the Charter which requires five affirmative votes of the Mayor and members of the Council.

Discussion

Following an extensive search and selection process, the Mayor and City Council chose to negotiate with a candidate for the position of City Manager. The Mayor and City Council provided direction to staff to negotiate an employment agreement upon the terms and conditions summarized below and set forth in the attachment to this report. The Mayor and City Council will hold a personnel appointment closed session

prior to consideration of this report in open session on June 4, 2025. Upon final appointment of the candidate the City Council will announce the reportable action and name of the new City Manager.

The agreement includes the following terms:

Salary terms: Base salary of \$333,000 with automatic annual CPI increase not to exceed three percent (3%), unless approved by the Mayor and Council in the form of an amendment to the employment agreement.

Deferred Compensation: An annual City contribution of \$12,000.

CalPERS Retirement: City Manager is classified as a "PEPRA" member of CalPERS. He shall be enrolled in the City of San Bernardino's CalPERS plan for miscellaneous employees with the benefit formula determined by the City's contract with CalPERS. The City's contribution and City Manager's contribution towards CalPERS shall be made as outlined in the Executive Compensation and Benefits Plan Resolution for a PEPRA member.

Health Insurance: City Manager will receive a City contribution in accordance with the Executive Compensation and Benefits Plan Resolution.

Vehicle Allowance: City Manager shall receive \$775.00 per pay period for use of his personal vehicle for City business.

Moving Allowance: \$6,000 as an incentive for City Manager to reside in the City of San Bernardino.

Paid Leave - Vacation: City Manager shall receive an initial balance of 120 hours vacation leave and accrue in accordance with the Agreement and the Executive Compensation and Benefits Plan Resolution.

Paid Leave – Sick: City Manager shall receive an initial balance of 80 hours of sick leave and accruals shall be in accordance with the Executive Compensation and Benefits Plan Resolution.

Paid Leave – Administrative: City Manager shall receive an initial balance of 80 hours of administrative leave and accruals shall be in accordance with the Executive Compensation and Benefits Plan Resolution.

Paid Leave – Other: City Manager shall receive all other leaves provided to executive employees and will be subject to the same provisions as those in the Executive Compensation and Benefits Plan Resolution.

Performance Expectations and Annual Evaluation: To ensure that the City Manager and Mayor and Council are working together to accomplish the City's goals, the

agreement sets forth Performance Expectations which will be reviewed and ratified during each annual evaluation.

At Will Status: City Manager will serve at the pleasure of the City Council. City Council may terminate the agreement pursuant to notice requirement provisions and requirements of the City Charter.

Severance: City Manager will be eligible to receive severance pay equal to the value of nine months of base salary and accrued leave balances eligible for cash-out, but shall not receive any other cash or benefits, if terminated without cause or asked to resign.

The City Council has adopted a Resolution to meet the requirements for a publicly available pay schedule set forth by the California Code of Regulations, Title 2, Section 570.5. The salary schedule for the City Manager does not have steps as the salary is based on a negotiated salary. Should the City Manager's salary be adjusted in the future, the Mayor and City Council shall approve an amendment to pay schedule as required by Section 570.5 referenced above.

2021-2025 Strategic Targets and Goals

The approval of a City Manager Employment Agreement aligns with Strategic Goal No. 2a: Focused Aligned Leadership & Unified Community – Build a culture that attracts, retains, and motivates the highest quality talent.

Fiscal Impact

The costs of salary and benefits for the City Manager are included in the Fiscal Year 2025/2026 Fiscal Year budget. There is no additional fiscal impact associated with this action.

Conclusion

It is recommended that the Mayor and City Council of the City of San Bernardino, California:

1. Approve a City Manager Employment Agreement on behalf of the Mayor and City Council; and
2. Authorize the Mayor to execute the City Manager Employment Agreement on behalf of the Council.

Attachments

Attachment 1	City Manager Employment Agreement
Attachment 2	Exhibit B - Resolution No. 2022-059 Executive Compensation and Benefits Plan Resolution

Ward:

All Wards

Synopsis of Previous Council Actions:
N/A