

1. Adoption of Resolution No. 2025-247 Appointing an Interim City Manager (All Wards)

Recommendation:

It is recommended that the Mayor and City Council of the City of San Bernardino, California adopt Resolution No. 2025-247, appointing William J. Gallardo as Interim City Manager.



DISCUSSION

City of San Bernardino Request for Council Action

Date: February 21, 2025

To: Honorable Mayor and City Council Members

From: Tanya Romo, Acting City Manager; Andrea Russell, Director of Human Resources

Department: City Manager, Human Resources

Subject: **Adoption of Resolution No. 2025-247 Appointing an Interim City Manager (All Wards)**

Recommendation:

It is recommended that the Mayor and City Council of the City of San Bernardino, California adopt Resolution No. 2025-247, appointing William J. Gallardo as Interim City Manager.

Executive Summary

Approving a resolution for employment of an Interim City Manager, effective February 21, 2025.

Background

On February 5, 2025, the City Manager position became vacant. Although the City has commenced recruitment for a regular appointment to the position, the recruitment will take some time. As such, it is prudent to appoint an interim City Manager to ensure the continued efficient operation of the City.

Discussion

William J. Gallardo retired as City Manager of the City of Brea effective December 31, 2024. With over 35 years of experience in administration and management, he is an ideal candidate for the interim appointment. Accordingly, staff recommends that the City Council appoint Mr. Gallardo as interim City Manager effective February 21, 2025.

As a CalPERS retiree, the appointment of Mr. Gallardo as interim City Manager is subject to the working after retirement rules codified at Government Code sections 7522.56 and 21221(h), including the 180-day waiting period which must be waived by the City Council.

The California Public Employees' Pension Reform Act of 2013 ("PEPRA") requires a

180-day waiting period before a retiree can return to work for a public agency; however, the 180-day waiting period is not applicable if the employer adopts a resolution establishing the critical need for the appointment as is the case here so long as the retiree did not retire with a retirement incentive such as the CalPERS golden parachute (i.e., 2 years additional service credit). In addition to the requirements of PEPR, the appointment of a retiree to a vacant position must comply with section 21221(h) of the Public Employees' Retirement Law ("PERL"). In accordance with PERL, the appointment is permissible if it is made during the recruitment for a regular appointment to the position and it is approved by the governing body of the employer in a public meeting and not on a consent calendar.

As a CalPERS retiree, Mr. Gallardo will only be authorized to work 960 hours in a fiscal year (July 1 to June 30) combined for any retired annuitant appointment during the fiscal year, unless an exception applies. Further, he cannot be paid more than what the City would otherwise pay a person filling the City Manager position according to its publicly available pay schedule. In addition, the City must initiate active recruitment efforts for a permanent appointment to the City Manager position no later than the day that Mr. Gallardo begins his interim appointment. Staff has worked with the City Attorney's Office to ensure that additional requirements will be met.

Under applicable law, the City Council must pass a resolution that makes certain findings before it can employ a CalPERS retiree on an interim basis, including waiving the 180-day waiting period. The attached **Resolution No.2025-247** provides for the appointment of Mr. Gallardo prior to the expiration of the 180-day waiting period in conformity with the requirements of Government Code sections 75422.56 and 21221(h).

The Resolution reflects Mr. Gallardo's appointment as interim City Manager, his hourly rate of \$160.47 (calculated pursuant to the requirements of Government Code section 21221(h)), and the term of the appointment. If approved by the City Council, the appointment would be effective immediately after conclusion of the meeting and would continue, unless terminated earlier by the City or Mr. Gallardo.

2021-2025 Strategic Targets and Goals

The authorization to execute the employment agreement aligns with Key Target No. 2: Focused, Aligned Leadership and Unified Community.

Fiscal Impact

Mr. Gallardo would be paid an hourly rate of \$160.47 per hour, which is not less or greater than the hourly equivalent of the salary for the City Manager position as stated in the City's publicly available pay schedule. He cannot receive any other compensation, benefits, or paid leave, unless otherwise required by state or federal law.

Conclusion

It is recommended that the Mayor and City Council of the City of San Bernardino, California, adopt Resolution NO. 2025-247, appointing William J. Gallardo as Interim City Manager.

Attachments

Attachment 1- Resolution No. 2025-247

Ward:

All Wards

RESOLUTION NO. 2025-247

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SAN BERNARDINO APPOINTING WILLIAM J.
GALLARDO AS CITY MANAGER ON AN INTERIM BASIS**

WHEREAS, Government Code sections 7522.56 and 21221(h) permit the City Council to appoint a California Public Employees' Retirement System ("CalPERS") retired annuitant to a vacant position requiring specialized skills during recruitment for a regular appointment, and provides that such appointment will not subject the retired person to reinstatement from retirement or loss of benefits so long as it is a single appointment that does not exceed 960 hours in a fiscal year; and

WHEREAS, the position of City Manager became vacant effective February 5, 2025; and

WHEREAS, in order to retain efficient and uninterrupted operation and management of the City the City Council desires to appoint William J. Gallardo as an interim appointment retired annuitant to the vacant position of City Manager for the City of San Bernardino pursuant to Government Code section 21221(h), effective February 21, 2025; and

WHEREAS, William J. Gallardo has substantial experience serving in municipal government with an extensive history in management, including serving as the city manager for the City of Brea; and

WHEREAS, an appointment under Government Code section 21221(h) requires an active, publicly posted recruitment for a permanent replacement; and

WHEREAS, the City has retained the services of Ralph Anderson and Associates to conduct the recruitment for a permanent appointment to the City Manager position and an announcement of the City's recruitment for the City Manager position has been posted on the City's website at <https://www.sbcity.org/870/Current-Job-Opportunities>; and

WHEREAS, in compliance with Government Code Section 7522.56(f), the City must provide CalPERS this certification resolution when hiring a retiree before 180 days have passed since his or her retirement date; and

WHEREAS, William J. Gallardo retired as City Manager from the City of Brea effective December 31, 2024; and

WHEREAS, Government Code section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is June 29, 2025, without this certification resolution; and

WHEREAS, Government Code section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and

WHEREAS, the City Council, the City of San Bernardino, and William J. Gallardo, certify that William J. Gallardo did not receive a Golden Handshake or any other retirement related incentive; and

WHEREAS, this Government Code section 21221(h) appointment shall only be made once and therefore will end on the date immediately preceding the date on which the regular appointment to the vacant position of City Manager commences his or her employment or, if earlier, the date that this appointment is terminated by the City or William J. Gallardo; and

WHEREAS, it is understood by the City Council and William J. Gallardo that the combined total hours to be worked by William J. Gallardo in any fiscal year, for all retired annuitant positions with any CalPERS employer, shall not exceed the 960-hour limitation set forth in California Government Code sections 7522.56(d) and 21221(h); and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the monthly salary for the City Manager position is \$27,814.58 and the hourly equivalent is \$160.47; and

WHEREAS, the hourly rate to be paid to William J. Gallardo for his services as City Manager on an interim basis shall be \$160.47, subject to any subsequent adjustment to the payrate for City Manager position listed on a publicly available pay schedule approved by the City Council; and

WHEREAS, William J. Gallardo has not and will not receive any other benefit, incentive compensation in lieu of benefits or any other form of compensation in addition to the hourly pay rate; and

WHEREAS, no matters, issues, terms, and/or conditions related to this appointment have been or will be placed on the consent calendar; and

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SAN BERNARDINO AS FOLLOWS:

SECTION 1. The City Council has considered the full record before it, which may include but is not limited to such things as the agenda staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. The City Council hereby certifies the nature of the appointment of William J. Gallardo as described herein and that this appointment is necessary to ensure the efficient operation of the City.

SECTION 3. The City Council hereby waives the 180-day waiting period pursuant to Government Code Sections 7522.56(f)(1).

SECTION 4. William J. Gallardo has the specialized skills needed to perform the work required as the City Manager on an interim basis until a regular City Manager is appointed by the City Council and thereafter begins service.

SECTION 5. The City Council hereby appoints William J. Gallardo as City Manager on an interim basis effective February 21, 2025 pursuant to the authority provided under Government Code sections 21221(h) and 7522.56, during the active recruitment for a regular appointment to the City Manager position, to provide the critically-needed, specialized skills necessary to manage the City.

APPROVED and **ADOPTED** by the City Council and signed by the Mayor and attested by the City Clerk this 21st day of February 2025.

Helen Tran, Mayor
City of San Bernardino

Attest:

Genoveva Rocha, CMC, City Clerk

Approved as to form:

Sonia Carvalho, City Attorney

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss
CITY OF SAN BERNARDINO)

I, Genoveva Rocha, CMC, City Clerk, hereby certify that the attached is a true copy of Resolution No. 2025-247, adopted at a regular meeting held on the 21st day of February 2025 by the following vote:

<u>Council Members:</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
SANCHEZ	_____	_____	_____	_____
IBARRA	_____	_____	_____	_____
FIGUEROA	_____	_____	_____	_____
SHORETT	_____	_____	_____	_____
KNAUS	_____	_____	_____	_____
FLORES	_____	_____	_____	_____
ORTIZ	_____	_____	_____	_____

WITNESS my hand and official seal of the City of San Bernardino this ____ day of _____ 2025.

Genoveva Rocha, CMC, City Clerk