



STAFF REPORT

Date: September 24, 2015
To: Mayor and Members of City Council
From: William R. Galstan, Special Counsel *OBV for WRG*
Cc: Bryan H. Montgomery, City Manager; Derek P. Cole, City Attorney;
Debby Sultan, Finance Director
Subject: City Manager Salary/Benefit Adjustment

FOR CONSIDERATION AT THE CITY COUNCIL MEETING ON OCTOBER 13, 2015

Summary and Recommendation

Approve the Seventh Amendment to City Manager Employment Agreement.

Fiscal Impact

Costs to the General Fund in the amounts specified in this report.

Analysis

Annually every City employee undergoes a performance evaluation and, typically on July 1, compensation adjustments are made to the salaries and benefits of general City employees. The City Council conducts the performance evaluation of the City Manager and, pursuant to the Brown Act, appoints a committee to negotiate with him any salary and benefit adjustments mutually desired by the parties. The committee (Mayor Hardcastle and Vice Mayor Romick) have made their recommendations to the City Council and Mr. Montgomery is appreciative of their recommendation.

A salary survey of Contra Costa cities has found, after recent adjustments, that the average annual city manager salary (excluding Oakley) is \$221,171. The subcommittee recommendation is to grant our city manager a 2% CPI adjustment and a 2% merit increase (total 4%) which will bring his annual salary to \$218,100. The highest city manager salary is Richmond, \$270,571 annually, and the lowest is Pinole, \$179,789. Our closest cities are Brentwood with a city manager salary of \$234,387 and Antioch, \$230,000. Thus we can see that our city manager's new salary, while handsome, is on the modest range of what the going market salary is for city managers in our area.

The above discussion concerns only salaries. Our recently-retired Finance Director, Paul Abelson, had compared "total compensation" which includes benefits, and found that benefits paid to our city manager are generally similar to those granted the other Contra Costa managers.



The subcommittee also recommends that Mr. Montgomery's salary adjustment for next fiscal year be determined now, subject to an acceptable performance evaluation for that period. Assuming a satisfactory performance evaluation, our city manager would receive a 2.5% salary increase, effective July 1, 2016. In order to ensure transparency, the amendment to the agreement provides that the Council will inform the City Attorney of the acceptable performance evaluation, whereupon the City Attorney will notify the Finance Director to implement the increase and also file a memo on the next available Consent Calendar portion of the Council agenda memorializing that this increase has been made, so that the public is aware of this action.

Attachment

Seventh Amendment to City Manager Employment Agreement

SEVENTH AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

This Seventh Amendment to City Manager Employment Agreement is entered into this 13th day of October, 2015 by and between the City of Oakley, a municipal corporation ("CITY") and Bryan H. Montgomery ("EMPLOYEE").

The parties agree as follows:

1. Effective immediately, and retroactive to July 1, 2015, EMPLOYEE's monthly salary shall be \$18,175/month.
2. Effective July 1, 2016, if EMPLOYEE receives a satisfactory performance evaluation for his work in the 2015-2016 fiscal year, EMPLOYEE's salary shall be adjusted to \$18,629/month. The City Council shall report to the City Attorney that EMPLOYEE has received a satisfactory performance evaluation, whereupon the City Attorney shall instruct the Finance Director to implement the salary adjustment specified herein. The City Attorney shall also report this action in a "receive and file" memorandum to be lodged on the next available City Council Consent Calendar.
3. All of the unamended portions of the previous Employment Agreement and its amendments shall remain in force and effect.

CITY:

EMPLOYEE:

Doug Hardcastle, Mayor

Bryan H. Montgomery, City Manager

Approved as to Form:

Derek P. Cole, City Attorney