



## Agenda Report

23-213

Agenda Date: 2/7/2023

### REPORT TO COUNCIL

#### SUBJECT

Action on a Resolution to Approve an Employment Agreement between the City of Santa Clara and Jovan D. Grogan for City Manager Appointment, Annual Salary of Four Hundred and Five Thousand and Fifty-Six Dollars, and Forty Cents (\$405,056.40) and Resolution to Amend Salary Survey for the City Manager Position to Reflect the Same

#### COUNCIL PILLAR

Enhance Community Engagement and Transparency

#### BACKGROUND

The City Council retained Bob Murray and Associates to conduct a nation-wide search for the position of City Manager. The City Council has completed the recruitment process and selected Jovan Grogan for the position of City Manager. Outside legal counsel has worked with the City Council to negotiate the attached agreement.

Section 9 of the Personnel and Salary Resolution requires City Council approval of compensation plans for both classified and unclassified positions. California Code Regulations Section 570.5 governs and requires the adoption of updated publicly available salary schedules by the governing body. The proposed Council action satisfies these applicable requirements. The updated salary plan reflects the negotiated salary for the City Manager position.

The City of Santa Clara contracts with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for employees in both classified and unclassified positions. When the City makes modifications to the salary schedules for its classified or unclassified positions, the City Council must approve and adopt the publicly available salary schedules to comply with California Code of Regulations (CCR) section 570.5. If the City Council does not approve these resolutions, the City will be non-compliant with CalPERS record keeping and reporting requirements. The City of Santa Clara is a contracting agency with CalPERS and is required to comply with its requirements.

The Unclassified Salary Plan has been modified to reflect the annual salary of \$405,056.40 for the position of City Manager, as outlined in the employment agreement between the City of Santa Clara and Mr. Grogan, that the City Council approved on February 7, 2023, with an effective date of May 1, 2023.

#### DISCUSSION

The City Council has negotiated an employment agreement between the City of Santa Clara and

Jovan Grogan. Mr. Grogan's employment with the City would begin on May 1, 2023, with an annual base salary of \$405,056.40.

The Unclassified Salary Plan has been modified to reflect the salary of the incoming incumbent for the position of City Manager, which is set at \$405,056.40. Approval of the updated salary plan, as required by Calpers regulation, constitutes the final action on approval of the compensation set forth in the Agreement in accordance with the Brown Act. The effective date of the salary plan update aligns with the effective date of the employment agreement above-referenced.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

### **FISCAL IMPACT**

The annual base salary for Mr. Grogan will be \$405,056.40. Staff will present the total compensation verbally at the meeting.

### **COORDINATION**

This report has been coordinated with the Finance Department and City Attorney's Office.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<<mailto:clerk@santaclaraca.gov>>>, or at the public information desk at any City of Santa Clara public library.

### **RECOMMENDATION**

1. Action on Appointment of City Manager and Approval of the Employment Agreement between City of Santa Clara and Jovan Grogan effective May 1, 2023, which sets the annual salary at \$405,056.40 and terms and conditions of employment; and
2. Adopt a Resolution to approve the revised unclassified salary plan for the position of City Manager to satisfy the requirements of California Code of Regulations Section 570.5 effective May 1, 2023

Reviewed by: Aracely Azevedo, Director of Human Resources

### **ATTACHMENTS**

1. Employment Agreement between the City of Santa Clara and Jovan Grogan
2. Unclassified Salary Plan (effective 05-01-23) approved 02-07-23
3. Resolution Updated Salary Plan