



Memorandum

TO: CITY COUNCIL

FROM: Mayor Chuck Reed

SUBJECT: CITY MANAGER EXECUTIVE
SEARCH

DATE: February 14, 2007

Approved

Chuck Reed

Date

2/14/07

RECOMMENDATION

1. Approve the draft ideal candidate profile.
2. Approve the implementation of the remaining phases of the search.

OUTCOME

Staff to report back to Council on the progress of the City Manager executive search process. Approve the candidate profile that resulted from stakeholder outreach that will guide the recruitment of candidates and proceed with the search.

BACKGROUND

On September 19, 2006, the Council accepted a plan and timeline for the executive recruitment of a new City Manager and directed Human Resources to oversee the implementation of the work plan. A listing of each major phase of the work plan is set forth below, with Phases I and II now completed, and Phases III, IV and V to be conducted under the guidance of the new Mayor and Council:

- Phase I – Consultant Selection;
- Phase II – Stakeholder Input and Profile Development;
- Phase III – Candidate Outreach and Marketing;
- Phase IV – Candidate Screening and Selection Process; and
- Phase V – Facilitate Hire.

Prior to formal outreach and marketing to prospective candidates, a draft candidate profile was to be presented to Council for its consideration and approval.

ANALYSIS

Extensive stakeholder input was solicited from the City Council, community leaders and organizations, employee labor representatives, City employees and the public at large. This included:

- One-on-one meetings with the Mayor and Council;
- Five community meetings;
- Three employee meetings;
- A meeting with the City Labor Alliance (CLA);
- Two community leader meetings;
- An online employee survey; and
- A community survey (published in English, Spanish and Vietnamese).

The data gathered through this outreach guided the preparation of the attached draft profile for the ideal candidate for San José City Manager, listing the skills, character and experience that the community and Council desires in its next city manager.

Using the approved candidate profile, the search consultant will conduct extensive national outreach and marketing to identify suitable candidates. The outreach will include advertising, targeted direct contacts, and professional networking, with a special emphasis on diverse professional associations in order to maximize the pool of qualified candidates reflecting the character of our community.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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COORDINATION

This report was coordinated with the City Manager's Office, Human Resources and the City Attorney's Office.

COST SUMMARY/IMPLICATIONS

The amended budget already provides for the estimated expense of this executive search process.

CEQA

Not a project.

Attachments

SAN JOSÉ – A WORLD LEADER

Recognized throughout the world as a center of technology and innovation, the City of San José is proud to be recognized as one of the most diverse large cities in the United States and the Capital of Silicon Valley.

The San José area is home to the largest concentration of technology expertise in the world with more than 6,600 technology companies employing more than 254,000 people.

The City of San José has been recognized as being the safest big city in the nation for the fifth consecutive year.

San José does not have an ethnic majority, and it is proud of the rich cultural and ethnic diversity of its population, its workforce, and its many neighborhoods.

With a population of 945,000, San José is the 10th largest city in the nation, and the third largest city in California. Nearly 1.8 million people reside in Santa Clara County, of which San José is the county seat.

Situated between the Diablo and Santa Cruz mountain ranges, the City of San José encompasses 178 square miles at the southern tip of San Francisco Bay. San José's central location between San Francisco to the north and Monterey/Carmel to the south makes the Capital of Silicon Valley a gateway to adventures throughout California.

San José's quality of life is unsurpassed. With an average of 300 days of sunshine a year, and temperatures varying from an average of 50 degrees in January to an average of 70 degrees in July, those living and working in San José can enjoy the City's many attractions, cultural and performing arts, sports and recreation opportunities and year-round festivals and celebrations. Seventy-nine percent of residents rated the quality of life in the City as either "excellent" or "good" in the City's most recent community survey.

San José has received accolades as a place to live and do business from Business Week, Money Magazine and other national media. The City of San José has a rich history. Once a largely agrarian community, San José was a city of bucolic hillsides and an expansive valley dotted with orchards of apricots, walnuts, cherries and plums. In those days, San José was known as the "Prune Capital of the World." However, over the past 50 years, San José experienced one of the most significant economic changes in California history, transforming from an agricultural community to what is known today as the "Capital of Silicon Valley."

Its residents speak more than 56 different languages. Nineteen public school districts and an estimated 301 private and parochial schools provide families with a range of educational choices. Innovative programs in local school districts include a nationally acclaimed performing arts magnet and concentrations in aerospace, international studies, math and science, radio and television and more. Universities in and near San José

include San José State University, Santa Clara University, Stanford University, University of California at Berkeley, University of California at San Francisco, and University of California at Santa Cruz.

The downtown area is currently undergoing a renaissance with high rise residential projects, renovated theatres, cultural attractions, and downtown activities that center around ballet, opera, symphony, live theater, night clubs, restaurants, and museums such as the Tech Museum of Innovation, the Children's Discovery Museum and the Museum of Art.

The City of San José has a rich civil rights history and has been a leader in social inclusion and leadership, including being the first large city with a woman mayor and the first Asian American Mayor.

For more information about the City of San José, please visit the City's website at www.sanjoséca.gov

THE CITY GOVERNMENT

The City of San José is a charter city and operates under a council-manager form of government. The City Council consists of 10 council members elected by district and a mayor elected at large. The Charter makes the Mayor the political leader of the City and gives the Mayor additional authority to frame the City budget, as well as a budget office and a public information office. The City also operates its own international airport, foreign trade zone, convention center and museums, 140 parks encompassing 2,900 acres, and 20 community recreation centers.

The City of San José believes that the strength of the City lies with its employees. Community surveys consistently give high ratings to the delivery and quality of City services even though the City operates with a smaller staff than other comparable communities. Although recognized as a leader in innovation and technology, the City of San José has been recognized nationally for its innovations in public service delivery.

The 2006-2007 Operating and Capital Budgets for the City of San José total \$3.0 billion. The City employs approximately 6,843 fulltime employees.

MAYOR CHUCK REED'S VISION FOR THE CITY OF SAN JOSÉ

Recently elected Mayor Chuck Reed campaigned on a platform of honesty, fiscal responsibility, and open government, and he is looking for a candidate who shares those values and will thrive in San José's diverse community.

The Mayor is committed to keeping San José the Capitol of Silicon Valley and the Valley as the innovation center of the world. To achieve this, San José must become the best community in the world to live, work, and raise a family; and must be an exceptional

place in which to start and grow a business, a place where our driving industries want to stay and grow.

San José must continue to show the world the success that can be achieved when people from around the world come together and focus on what they have in common rather than on their differences.

To achieve these goals and to create a great city, the Mayor's priorities include:

- Ensure that neighborhoods are safe and have good schools; providing all children an opportunity to reach their full potential.
- Create a fiscally responsible city government which efficiently delivers quality services.
- Continue the development of downtown into an economically strong center with a vibrant mix of arts, culture and entertainment.
- Emphasize sustainable growth, giving future generations opportunities for jobs and housing while preserving open space and protecting the environment.

Additional information about the Mayor's vision for San José can be found at <http://www.sanjoseca.gov/mayor/>.

OPPORTUNITIES AND CHALLENGES FACING THE CITY OF SAN JOSÉ

- Strengthen the financial condition of the City, eliminate the structural budget deficit, maintain a high City bond rating, and look for new financing and service delivery models.
- Address the need for financing of City infrastructure (i.e. streets, fire and police stations, libraries, and parks).
- Attract and retain a results-oriented City staff in the context of an aging workforce, while continuing to emphasize innovation and creativity and the implementation of technology in the delivery of City services.
- Review the current General Plan, which has not been updated in 14 years, plan for future growth and land use, and take into account the needs of a growing community including affordable housing, infrastructure capacity, deferred maintenance, green building, transportation and overall community wellness.
- Continue the implementation of the newly adopted Employee Values Project and recognition program, an employee-initiated effort focused on representing, motivating and cultivating the City workforce identifying the values which guide the organization.
- Address the ongoing need for affordable housing.

- Diversify the economy, and create an environment that encourages the attraction, retention and expansion of all sizes and types of businesses.
- Prioritize and balance the needs of the City within its financial limitations.

THE POSITION

The City Manager, nominated by the Mayor for approval by the City Council, is the administrative head of the City government. As the chief administrative officer of the City government, he/she is responsible for the proper operations of all City departments.

Under policy direction from the Mayor and City Council, the City Manager directs the overall operations of the City of San José, with the exception of the Redevelopment Agency Director, Independent Police Auditor, Office of the City Clerk, Office of the City Attorney, and Office of the City Auditor. As the Chief Administrative Officer, the City Manager is accountable and responsible for executing all policies and programs mandated by the City Council and for making recommendations to the City Council to further the City's goals and objectives.

In accordance with Section 701 of the City Charter, the City Manager has the following powers and duties:

- Subject to the Civil Service provisions of this Charter and of any Civil Service Rules adopted pursuant thereto, and except as otherwise provided elsewhere in the Charter, the City Manager shall appoint all officers and employees of the City; and, when he or she deems it necessary for the good of the service, the City Manager may, subject to the above-mentioned limitations, suspend without pay, demote, discharge, remove or discipline any City officer or employee who under the Charter is appointed by the City Manager;
- Except as otherwise provided elsewhere by the Charter, the City Manager shall direct and supervise the administration of all departments, offices and agencies of the City;
- The City Manager shall have the right to attend all meetings of the Council, other than closed executive sessions where the City Manager or another Council appointee is the subject of discussion, and to take part in its discussions, but not to vote. The City Manager shall attend all regular and special meetings of the Council unless prevented by illness or physical incapacity or unless his or her absence has been authorized by the Council;
- The City Manager shall be responsible for the faithful execution of all laws, provisions of the Charter, and acts of the Council which are subject to enforcement by the City Manager or by officers who are under the City Manager's direction and supervision;

- The City Manager shall prepare and submit the annual budget to the Council in accordance with the provisions of Section 1204;
- The City Manager shall submit a complete report on the finances and administrative activities of the City as of the end of the preceding fiscal year to the Council at a public meeting to be held within three calendar months following the close of each preceding fiscal year. The annual report, which shall be personally certified by the City Manager to be accurate and complete shall contain a statement indicating:
 - Whether the revenues budgeted for the preceding fiscal year were actually received, and an explanation concerning any material differences between the total revenues budgeted and the revenues actually received;
 - The extent to which expenditures budgeted actually were incurred, and an explanation for any material variance between budgeted expenditures and actual expenditures;
 - The amount of the financial reserves of the City; and
 - All other information which, in the opinion of the City Manager, is necessary to provide an accurate and complete picture of the fiscal status and condition of the City.

The report shall be in a form which is susceptible to confirmation by audit. It shall be made available to the public in the Office of the City Clerk.

- The City Manager shall make such other reports as the Council from time to time may request concerning the operations of City departments, offices and agencies subject to his or her direction and supervision; shall keep the Council fully advised as to the financial condition and future needs of the City; and make such recommendations to the Council concerning the affairs of the City as he or she deems desirable or as requested by Council.
- The City Manager shall exercise such other powers, and shall perform such other duties, as are specified in this Charter or may be authorized or required by the Council.

THE CANDIDATE

Education and Experience

Must have a bachelor's degree from an accredited college or university. A master's degree in public administration or business administration and prior experience as a City Manager in a comparable, diverse, cosmopolitan city are highly desirable.

Experience with and enthusiasm for using performance measurements for accountability and efficiency are also highly desirable.

Desirable skills and experience include budgeting and financial management, economic development, labor arbitration and negotiation, intergovernmental relations, planning, environmental regulation and community relations.

Candidates from all geographic regions and from private industry and government will be considered.

Management Style and Personal Traits

The City of San José is an innovative, progressive, dynamic organization that continually strives to meet the changing needs of the community. The City of San José is looking for a candidate who has the same commitment to this innovative vision.

The ideal candidate must have integrity and courage and will be a collaborative and confident leader and a team builder who has the ability to work within an experienced senior management team. In addition, he/she should be entrepreneurial with a strong customer service orientation as well as committed to providing a high level of services to the community. He/She must be able to motivate staff to meet the high expectations of the organization and community, hold them accountable, and at the appropriate time defend their actions. This person should be politically astute and able to see the big picture of the important and evolving role of city government. The candidate should be comfortable being visible and working in a diverse work environment and community. This person should be a strategic thinker who is able to develop ideas and implement them through teamwork and collaboration.

He/She should have excellent interpersonal skills, and be able to communicate effectively with people from all walks of life, including citizens, elected officials, and City employees. This person should also be organized, and respectful of others' opinions, but not afraid to express their own. In addition this person should be action-oriented and able to delegate and monitor performance without micro-managing. He/She should be able to mentor and develop staff and maintain a healthy workforce.

The City Manager should be proactive in bringing issues to the Council and treat all Council Members evenhandedly. He/She should keep the Council informed in a timely and accurate manner, and provide his/her best professional recommendations in helping the Council shape the vision of the City. However, when the Council makes a decision,

he/she should be respectful of the role of the Council and promptly implement their policy even if it is different from his/her recommendation.

Candidates should be energetic and friendly, with a professional presence and excellent communication skills. It is important that candidates have a good sense of humor and be active in the community.

COMPENSATION

The salary for the position is negotiable and will be dependent on the qualifications and experience of the selected candidate. The City provides an excellent array of benefits that includes the following:

- Retirement – 2.5% @ 55 formula utilizing single highest year – full reciprocity with CalPERS – The City contributes 21.98% and the employee contributes 7.58%;
- City pays 90% of the lowest cost health insurance premium for family coverage; employee family premium cost for the lowest cost plan will not exceed \$100 per month in 2007. If another plan is selected, the employee pays the amount in excess of 90% of the lowest cost plan;
- City pays and 100% for the lowest priced dental insurance plan for family coverage. If another dental plan is selected, the City pays 95% and employee pays 5%;
- Generous vacation, executive leave, sick leave, and holiday package;
- Life insurance equal to two times annual salary;
- Vehicle Allowance;
- 457 (b) Deferred Compensation Plan;
- Tax deferred medical and dependent savings plans;
- Accident insurance, long-term disability insurance, and an employee assistance program are also available;
- Out of area relocation assistance; and
- Housing Assistance program.

SELECTION PROCESS

Each candidate's background will be evaluated on the basis of information submitted at the time of application to determine the level and scope of the candidate's preparation for this position. The resumé should include any additional information which the candidate wishes considered. Only the more qualified candidates, as determined by the screening process, will be invited to participate in the selection process. The names of the most

highly qualified candidates will be submitted to the appointing authority for final selection. Final interviews may include presentations to multiple panels as determined by the Mayor and City Council.

HOW TO APPLY

Interested candidates can apply for this position and obtain additional information at www.allianceresourceconsulting.com by **March 30, 2007**.

Questions, inquiries and nominations may be directed to:

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An Equal Opportunity/ADA Employer.

Female, minority and disabled candidates are encouraged to apply.