



CITY COUNCIL AGENDA REPORT

Meeting Date: May 2, 2024

From: Abby Partin, Human Resources Director

Subject: Adopt a Resolution to Appoint Jeremy Dennis as City Manager and Authorize the Mayor to Execute the Employment Agreement

Community Goal/Result

Safe Community, Community Building, Fiscally Prudent

Purpose

To ensure the community continues to receive excellent service by retaining exceptional employees in a financially prudent manner.

Recommendation

Adopt a resolution to appoint Jeremy Dennis as City Manager and authorize the Mayor to execute the employment agreement.

Background/Discussion

Interim City Manager Clayton Holstine informed the City Council last year that he would be retiring effective December 28, 2023. His last official day as City Manager was December 27, 2023. Mr. Holstine agreed to continue his employment as a retired annuitant as the City Council continued the search for a new City Manager. The City Council adopted a resolution conforming with the California Public Employees Retirement Law, and appointed Mr. Holstine as Interim City Manager.

The City Council held a Study Session on September 21, 2023, to determine their ideal recruitment process and decided to retain the services of Teri Black and Company, an executive recruitment firm, to conduct the City Manager executive search. An Ad-Hoc City Manager Recruitment Subcommittee comprised of then Mayor Davis and Mayor Pro-Tempore O'Connell, with the assistance of Interim City Manager Clayton Holstine and Human Resources Director Abby Partin, were chosen to work with Ms. Black and her team on various recruitment and selection steps leading to Council interviews of a short list of candidates.

Ms. Black and her team began their work by meeting with the City Council, executive management and general staff members to capture the candidate profile ideal to all stakeholders. The City Manager recruitment opened in January 2024 with a direct marketing campaign and extensive personal outreach, resulting in thirty-eight (38) applicants received. The City Council interviewed four candidates on March 16 and 17 and then deliberated on its selection, which resulted in the selection of Jeremy Dennis as the new City Manager.

The attached agreement contains the terms to which the City Council and Mr. Dennis have agreed. Key provisions include:

- Section C – Term. Mr. Dennis will begin employment on June 24, 2024, and the term of the contract will run through June 25, 2027, subject to the termination provisions.
- Section D and D. 2 – Salary. The City will pay Mr. Dennis \$315,000 in annual salary (“base salary”) for his services, payable bi-weekly, as other employees of the City are paid and subject to customary withholding. The bi-weekly base salary will be \$12,115.38; monthly salary, \$26,250, and the hourly rate, \$151.44.
 - A minimum ten percent base salary differential shall be maintained between Mr. Dennis’ base salary and the top of the range of the highest paid Department Head directly supervised by Mr. Dennis.
 - COLA increase will be tied to future COLA increases of the Executive Management team, with the exception of July 2024 which will not apply.
- Section E 1. – Benefits Coverage. Mr. Dennis shall be provided the same vacation leave, holidays, longevity, sick leave, dental, vision, employee assistance program, long term disability, life insurance coverage and the same management incentive plans provided to the City’s Executive Management Group. Mr. Dennis will start with 128 hours of personal leave (combined vacation and sick leave).
- Section E 2. – Medical Benefits. The City shall make monthly contributions to Mr. Dennis for his health insurance coverage in an amount equal to the cost of the medical plans he selects under the CalPERS Health Benefits Program Coverage, which coverage shall include his eligible dependents should Mr. Dennis so elects. If Mr. Dennis selects the “No Plan” option, City shall make a payment to him equal to the “employee only” contribution from the least expensive plan offered by the CalPERS Health Benefits Program.
- Section G – Performance Reviews. The City Council shall conduct an annual evaluation of the City Manager’s performance. The evaluation process shall address goals and objectives set for the past twelve-month period and establish goals and objectives for the upcoming 12-month period. The performance evaluation will be facilitated by a mutually agreed upon professional facilitator for Mr. Dennis’ first annual review and the use of a facilitator may be used thereafter if the City Council and Mr. Dennis find it mutually beneficial.
- Section L – Housing Assistance Program. The City Council encourages Mr. Dennis to become a resident of Brisbane and, to that end, may establish a Housing Assistance Program, elements of which will be determined by the City Council and the City Attorney. In no event, however, is the City obligated to provide housing assistance and, if such

Program is established, the Council may, in its sole discretion, modify or terminate such Program.

Fiscal Impact

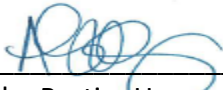
The fiscal impact of this position will be included in the current and ensuing budget.

Measure of Success

The City is able to maintain a stable and high quality workforce.

Attachments

1. Resolution 2024-XX
2. City Manager Employment Contract



Abby Partin, Human Resources Director



Thomas McMorrow, City Attorney

RESOLUTION NO 2024-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE
APPOINTING JEREMY DENNIS AS CITY MANAGER AND AUTHORIZING THE MAYOR TO
EXECUTE THE EMPLOYMENT CONTRACT**

WHEREAS, following an extensive recruitment process beginning in January 2024, the Brisbane City Council selected Jeremy Dennis as the successor to Interim City Manager Clayton Holstine; and oversaw negotiations of terms and conditions of an employment agreement with Mr. Dennis, which terms and conditions Mr. Dennis has accepted; and

WHEREAS, the City Council desires to appoint Mr. Dennis as City Manager and enter an agreement with Mr. Dennis that establishes his initial compensation and benefits and sets forth the expectations of Mr. Dennis and the Council concerning his appointment.

NOW, THEREFORE, the City Council of the City of Brisbane resolves as follows:

1. The City Council appoints Jeremy Dennis as City Manager, effective June 24, 2024.
2. The Council establishes the annual base salary for Mr. Dennis at \$315,000 effective June 24, 2024, and establishes other benefits as set forth in the attached Employment Agreement.
3. The City Council authorizes the Mayor to execute the City Manager Employment Agreement in substantially the form presented, which sets forth the terms and conditions of the employment of Jeremy Dennis as City Manager.

Terry O'Connell, Mayor

I hereby certify that the foregoing Resolution No. 2024-XX was duly and regularly adopted at a regular meeting of the Brisbane City Council on May 2, 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Ingrid Padilla, City Clerk

Approved as to form:



Thomas R. McMorrow, City Attorney

CITY MANAGER EMPLOYMENT AGREEMENT

between the

City of Brisbane

and

Jeremy Dennis

Dated May 2, 2024

CITY MANAGER EMPLOYMENT AGREEMENT
between the City of Brisbane and Jeremy Dennis

THIS AGREEMENT is made May 2, 2024, between the CITY OF BRISBANE, a municipal corporation (“City”) and JEREMY DENNIS (Employee):

RECITALS

WHEREAS, City desires to employ Jeremy Dennis (“Employee”) as City Manager and to establish certain terms and conditions of employment as hereinafter set forth.

WHEREAS, Employee desires to serve as City Manager, pursuant to the terms and conditions of this Agreement; and

WHEREAS, it is the desire of the parties hereto to provide the terms and conditions by which City shall receive and retain the services of Employee as City Manager and to provide for him to remain in such employment, to make possible full work productivity by assuring his morale and peace of mind with respect to future security; to act as a deterrent against malfeasance or dishonesty for personal gain on his part; and to provide for terminating his services at such time as he may be unable to fully discharge his duties or when Council may otherwise desire to terminate his employment.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

A. Responsibilities and Duties. City employs Employee as City Manager to perform the functions and duties of the City Manager specified in the Brisbane Municipal Code and as provided by state or federal law, and to perform such other duties, functions, and responsibilities as may from time to time be assigned to the Employee by the Brisbane City Council.

B. Hours of Work and Outside Activities. Employee shall be an exempt employee under the Fair Labor Standards Act. Employee is expected to devote necessary time outside of the normal office hours to conduct business of the City. Employee’s schedule of work each day and week may vary in response to the requirements of the work to be performed. During regular City business hours, Employee is expected to be present and available (usually, at City Hall) and, in the case of an emergency, to spend sufficient hours at Brisbane City Hall or other City facilities to perform his duties. Employee will devote his full time and attention to the performance of Employee’s responsibilities as City Manager and shall not engage in any other employment or the conduct of any other business during the term of this Agreement without prior approval of the Brisbane City Council.

C. Term. Employee shall be retained in this position from June 24, 2024, through June 25, 2027, subject to the termination provisions in Section H. Employee serves at the pleasure of the City Council, has no vested right in his employment, and shall have no right to a termination hearing, except as provided by law. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Brisbane City Council, acting for the City, to terminate the services of Employee at any time subject only to the applicable provisions set forth in Section H of this Agreement. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employee to resign at any time as City Manager, subject only to Section H of this Agreement.

D. Salary.

1. City shall pay Employee Three Hundred Fifteen Thousand Dollars (\$315,000) in salary ("base salary") per annum for his services, payable in installments at the same time as other employees of the City are paid and subject to customary withholding. The bi-weekly base salary will be \$12,115.38, monthly, \$26,250, and hourly, \$151.44. See the attached Appendix A. Hereafter, Employee shall receive the compensation adjustments (cost of living adjustment [COLA], lump sum payments, one-time leave hours) approved by the City Council in the same amount and at the same time as such adjustments are approved for Department Heads except for the July 1, 2024 COLA adjustment.

2. Notwithstanding subsection 1 of this Section D, a minimum ten percent base salary differential shall be maintained for Employee above the top of the range of the highest paid Department Head directly supervised by Employee.

3. Subject to an evaluation of performance, the City Council may increase Employee's base salary by resolution.

E. Benefits.

1. Benefit Coverage. Employee shall be provided the same vacation leave, holidays, longevity, sick leave, dental, vision, employee assistance program, long term disability, life insurance coverage and the same management incentive plans provided to the City's Executive Management Group, in accordance with the Memorandum of Understanding as negotiated from time to time between the City and the Executive Management Group. In addition, City shall contribute five percent of Employee's base salary into a deferred compensation plan (money purchase pension plan). Employee may make additional contributions to such plan. For purposes of accounting, vacation leave and sick leave will be merged into one bank of time called "personal leave" and Employee will start employment with 128 hours of personal leave. Employee will accrue vacation leave and sick leave equivalent to a nine-year full-time employee. In addition, Employee shall be entitled to 80 hours of administrative leave that shall be credited each August, beginning in August 2025, provided, however, that Employee must use such administrative leave within 12 months from the time it is credited, or such leave is lost.

2. Medical Benefits. City shall make monthly contributions to Employee for Employee's health insurance coverage in an amount equal to the cost of the medical plans Employee selects under the CalPERS Health Benefits Program Coverage which coverage shall include Employee's eligible dependents should Employee so elects. If Employee selects the "No Plan" option, City shall make a payment to Employee equal to the "employee only" contribution from the least expensive plan offered by the CalPERS Health Benefits Program.

3. California Public Employees Retirement System. City shall make the employer contributions on behalf of Employee to the California Public Employees Retirement System, pursuant to the 2% at 62 formula retirement plan. In this formula and all other relevant respects, City shall comply with Government Code, section 7522 and following including, but not limited to, the employee cost share, the cap on pension benefits, and the three-year average for calculating final compensation. If CalPERS offers an improved retirement program and the City

adopts such program for department heads that are not safety employee groups, the same benefit shall be provided to Employee.

F. Professional Activities. City shall, to the extent it is financially able, budget for and pay expenses for Employee's professional dues, subscriptions, courses, training/coaching, seminars, and travel expenses for participation in professional activities that are directly related to the work of the City Manager. This includes the International City/County Management Association (ICMA), California Cities, Urban Land Institute, and other similar associations or organizations. In addition, the City recognizes the benefits of city representation in local service clubs and organizations, and the City shall pay for Employee's membership dues for one local service club, or similar organization.

G. Performance Reviews. The City Council shall conduct an annual evaluation of the City Manager's performance. The evaluation process shall address goals and objectives set for the past twelve-month period and establish goals and objectives for the upcoming 12-month period. The performance evaluation will be facilitated by a mutually agreed upon professional facilitator for Employee's first annual review and the use of a facilitator may be used thereafter if the City Council and Employee find it mutually beneficial. Notwithstanding the first sentence of this section G, the City Council may evaluate the City Manager's performance on a more frequent basis if it determines that it is appropriate to do so.

H. Termination/Severance.

1. Employee serves at the pleasure of the City Council, and nothing herein shall be taken to prevent, limit or otherwise interfere with the right of the City to terminate the services of the City Manager with or without cause. This Agreement is the sole and exclusive basis for an employment relationship between Employee and the City.

2. Notwithstanding subsection 1 of this Section H, Employee's employment shall not be terminated within 90 days before or 90 after a General Municipal Election, or 90 days before or 90 days after a Special Election, wherein a new member is, or new members are, elected to the City Council.

3. If Employee is terminated by the Council while still willing and able to perform the duties of the City Manager, the City shall pay the City Manager a single lump sum payment made on the effective day of the termination, in an amount equivalent to twelve months aggregate salary and an amount equivalent to twelve months aggregate health insurance benefit allowance. Any such payments will release the City from any further obligations under this Agreement. Contemporaneously with the delivery of the severance pay herein above set out, Employee shall execute and deliver to the City a release releasing the City of all claims that the Employee has or may have against City, in a form approved by the City Attorney.

4. Notwithstanding paragraph H.3 above, the City shall not be obligated to pay, and shall not pay, any amounts or continue any benefits under the provisions of paragraph H.3, if the Employee is terminated because of a violation of statute or law constituting misconduct in office, including criminal conduct. Further, the City shall not be obligated to pay, and shall not pay, any amounts or continue any benefits under the provisions of paragraph H.3, in the event Employee voluntarily resigns without affirmative action by City to terminate, initiate termination proceedings or request resignation, for example, a resignation to pursue other employment or professional opportunities.

I. Resignation. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from his position as City Manager or to retire from public service. In the event that Employee voluntarily resigns his position or retires prior to the expiration of the term of this Agreement, Employee shall give City three months' notice in advance, unless the parties agree otherwise. In the case of a voluntary resignation or retirement, no severance will be paid to Employee.

J. Disability. If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of three consecutive months or 60 working days over a 90-working day period, City shall have the right to terminate this Agreement, subject to the City's compliance with the Family and Medical Leave Act, the Americans with Disabilities Act, and the Fair Employment Housing Act. including reasonable accommodation. If Employee's employment is terminated under this Section J., the provisions of Section H.3., shall not apply; provided, however, Employee shall be entitled to any accrued leave time and other accrued benefits on the same basis as any other Department Head of the City as provided in the applicable Memoranda of Understanding or the adopted Personnel Rules of the City.

K. Indemnification. City shall defend, hold harmless, and indemnify Employee against any tort, professional liability claim, demand, or other legal action, arising out of an alleged action or omission occurring within the scope and during the course of employment with the City. City shall provide a defense in accordance with Government Code, Sections 995 and following, subject to the limitations and qualifications set forth in those statutes. Employee will cooperate in good faith with the City with respect to the defense of such claims, demands or legal action. City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment resulting therefrom. The obligation under this Section K shall survive the termination or expiration of this Agreement as to liability that occurs during the term of this Agreement.

L. Housing Assistance Program. The City Council encourages Employee to become a resident of Brisbane and, to that end, may establish a Housing Assistance Program, elements of which will be determined by the City Council and the City Attorney. In no event is the City obligated to provide housing assistance and, if such Program is established, the Council may, in its sole discretion, modify or terminate such Program.

M. General/Miscellaneous Provisions

1. This Agreement sets forth the entire agreement between the Parties and supersedes all other oral or written representations or previous agreements between them. This Agreement may be modified only in writing approved by the Council and signed by all Parties.

2. The failure of either Party to enforce against the other Party a provision of this Agreement shall not constitute a waiver of that Party's right to enforce such a provision at a later time and shall not serve to vary the terms of this Agreement.

3. This Agreement shall be binding upon and inure, where applicable, to the benefit of the heirs at law and executor of Employee.

4. This Agreement shall not be assigned or subcontracted by either party without the consent of the other party. Consent may be denied for any reason or for no reason at all.

5. Should any provision, section, or subsection of this Agreement be declared invalid or unenforceable by any court of competent jurisdiction, such ruling shall not affect any other provision hereof, and the unaffected provisions shall remain in full force and effect.

6. This Agreement may be amended only in writing.

7. If any litigation, including administrative proceedings, relating to this Agreement, including, but not limited to any action or suit by any party, assignee, or beneficiary, against any other party, assignee or beneficiary, to enforce, interpret or seek relief from any provision or obligation arising out of this Agreement, the parties and litigants shall bear their own attorney's fees and costs. No party or litigant shall be entitled to any attorney's fees or costs from any other party or litigant, regardless of which party might prevail or be deemed a prevailing party.

8. Notices. Any notice required or permitted to be given to this Agreement shall be either personally delivered, given by deposit in the U.S. Mail, postage prepaid, or delivered by overnight delivery service. Notice shall be deemed given as of the date of personal delivery or by overnight delivery service or five calendar days after the deposit of such notice in the U.S. mail. For City: Mayor and Members of the City Council, 50 Park Place, Brisbane, CA 94005. For Employee: Jeremy Dennis, 1567 Kentfield Avenue, Redwood City, CA 94061.

9. City shall bear the full cost of any fidelity or other bonds required of Employee under any law, ordinance, regulation, contract or covenant, relative to the performance of his duties as City Manager.

10. In accordance with Government Code Sections 53243, 53243.1, and 53243.2:

a. In the event Employee is placed on paid leave pending an investigation, Employee shall reimburse such pay to City if he is subsequently convicted of a crime involving the abuse of his office or position.

b. In the event City pays for the Employee's legal criminal defense, he shall fully reimburse such funds to the City if he is subsequently convicted of a crime involving an abuse of his office or position.

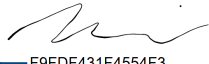
c. If this Agreement is terminated, any cash settlement related to the termination that Employee receives from City must be fully reimbursed to City if he is subsequently convicted of a crime involving an abuse of his office or position.

For the purposes of this section, "abuse or office or position" shall be as defined in Government Code Section 53243.4.

EXECUTION


IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

Terry O'Connell
Mayor – City of Brisbane

DocuSigned by:

4/22/2024
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Jeremy Dennis

Approved as to form:



Thomas R. McMorrow, City Attorney