

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
WEDNESDAY- -APRIL 1, 2009- -7:01 P.M.

Mayor Johnson convened the Special Meeting at 9:17 p.m.

Roll Call - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam and Mayor Johnson - 5.

Absent: None.

(09-125) Recommendation to approve Agreement appointing Ann Marie Gallant as Interim City Manager.

The Human Resources Director gave a brief presentation.

Councilmember Matarrese inquired whether there is no overlap between the proposed Contract and the existing Interim Finance Director Contract.

The Human Resources Director responded in the affirmative; stated the Interim Finance Director Contract ends the day the proposed Contract is accepted.

The Assistant City Attorney stated the Contract includes language about "consolidating departments as deemed necessary and appropriate;" suggested Council add the phrase "consistent with the City Charter and Alameda Municipal Code" following said language; stated the Charter has a provision that departments shall be established by ordinance, which puts authority under the Council; the City has such an ordinance; the ordinance would have to be revised if the number of departments were reduced or if departments were combined.

The Human Resources Director stated the Contract could be changed.

Vice Mayor deHaan moved approval of the Contract, including the proposed language.

Vice Mayor deHaan stated it was a delight to see such supportive references regarding Ms. Gallant's leadership capabilities; that he has not seen that many positive references before; that he looks forward to working with Ms. Gallant.

Councilmember Matarrese seconded the motion.

Under discussion, Councilmember Gilmore stated that she has found the Interim Finance Director direct, capable and competent; Ms. Gallant has done a phenomenal job and has made great strides at

making the budget more transparent; however, she will not support the motion; the decision is not fiscally responsible; the City has not done salary comparisons; the previous City Manager's Contract, which was done almost four years ago, was used; in a time of increasing budget crisis, the budget allocation for the City Manager position would be increased by over \$75,000 in the current fiscal year and \$90,000 in the next fiscal year; other departments will be asked to tighten their belts and might face layoffs; a selection process was not followed; the Contract is for a minimum of two years and allows for automatic renewal; there are no clear expectations for performance and no objectives or goals without a selection process; the last City Manager resigned over a difference in direction; the City might be on the road to repeating past mistakes; when offering a job, the Council should put a person in a position to succeed, not fail; the League of California Cities has people available to serve as interims; the Council has not done its due diligence and looked at what is in the market place; Ms. Gallant has done such a good job in putting the City on the right track to being fiscally responsible and her focus should not be diverted; in addition, the City would be looking for a new Finance Director a month or so before the budget is due.

Councilmember Tam stated that she would not support the motion; that she concurs with a lot of Councilmember Gilmore's points; that she has done reference checks; references find Ms. Gallant capable and competent in the area of finance; that she agrees Ms. Gallant should be considered for the interim position, however, the ends do not justify the means; Ms. Gallant informed the subcommittee of her goals for consolidating departments, including layoffs, and looking at different aspects of fiscal sustainability; that she is not sure said goals would sustain City service levels in the long-term; a competent Finance Director is needed given the City's size and complexity; the City Manager should not serve in the role of the Finance Director; clear performance objectives have not been articulated.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers deHaan, Matarrese and Mayor Johnson - 3. Noes: Councilmembers Gilmore and Tam - 2.

Vice Mayor deHaan stated that he would put in the record information on total compensation from the Public CEO Newsletter, which indicates the salary amount is well within the range for cities of similar size.

Mayor Johnson stated the cost of the Interim City Manager position would not increase and would actually be going down slightly.

The Human Resources Director stated the amount would go down around \$6,400.

Councilmember Gilmore stated the entire amount budgeted for the position would be increased because it would stem across two people; the spending for the position would increase; some funding would be coming from another General Fund account, which she would like to discuss when the Council addresses the budget.

Mayor Johnson stated that she did not want the public to think the Interim City Manager would be paid more than the previous City Manager; the City is paying a severance package pursuant to the prior City Manager's Contract; invited Ms. Gallant to comment.

Ms. Gallant commended Councilmembers for taking the vote that they felt was important to them; stated working with Councilmembers on the budget and improving transparency has been wonderful and will continue; that she would speak with each Councilmember about expectations during the interim period; Councilmembers will have an opportunity to address what they would like to see accomplished; that she appreciates the support and work that has been accomplished during the last eight months.

Adjournment

There being no further business, Mayor Johnson adjourned the Special Meeting at 9:34 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.