

SLT staff acts on its own; ignores council direction

By Kathryn Reed

South Lake Tahoe's human resource director lied to the City Council on Tuesday when it came to the salary for the interim city manager.

Councilmember Brooke Laine asked how the \$103.85 an hour salary that Tom Stuart negotiated came about when it's not what the council agreed to. His response: "It's in the top."



Tom Stuart

But the top was really \$15,833 a month as was **agreed to May 1**.

The monthly rate at the hourly wage that was approved is \$18,000. That is nearly 14 percent higher than what the council originally allocated.

The council let the dollar figure go and didn't call Stuart out on his lie. They just wanted to make sure there were no other payments coming from the city say for housing or a car allowance. And there won't be.

Still, what Dirk Brazil will be making starting next month is higher than what the council had agreed to.

The money to pay him will come from undesignated reserves. It can't just come out of the city manager's account because it

all got used up for this fiscal year and essentially into next year's, which starts Oct. 1, because the council paid the former city manager nine months of severance for reasons no one has explained.

What the council had a hard time grasping on May 15 is that Brazil will be an hourly employee, not salaried. Brazil will also be keeping track of his own hours, according to Stuart. However, Councilmember Jason Collin pointed out that Brazil will be working for the council and accountable to them.

The hourly bit has to happen because Brazil is a CalPERS retiree. He's allowed to double dip, so to speak, as long as he does not work more than 960 hours in a CalPERS fiscal year, which begins July 1. So, he could work unlimited hours in June per CalPERS, but the city will still be paying him more than 100 bucks an hour. The council did not set a hard limit on the pay/hours for Brazil to work in June.

The 960-hour mark would be reached in 24 weeks or about 5½ months, so mid-December, if Brazil works 40-hour weeks starting July 1.

It will be an adjustment for council members because they are used to calling-texting-emailing the city manager seven days a week, at all hours of the day and night and expecting an answer pronto. Now when they reach out it will be much like contacting the city attorney – it will be billable hours – at least if contact is not during the normal confines of the workday/workweek.

Brazil's contract has no definitive end date. It's supposed to be when a permanent city manager is hired.

But that process has been a bit convoluted. The council in April had asked for the city manager positions – interim and permanent – to be a priority over the city attorney. But Prothman Executive Recruitment, the firm that was hired to find both executives, has only started the city attorney

process.

Part of the reason for this came to light at Tuesday's council meeting. Staff arbitrarily agreed to stick with the salary range for the city attorney that had been on the books. They did so without council input. This meant Prothman could get started.

However, staff does not like the salary structure the former city manager had where some of her compensation was put into a 401(a)/457 instead of being subject to CalPERS. Her hourly salary was \$80.25 or \$166,928.94 a year. This didn't account for the \$50,000 a year put into the other retirement account. Staff doesn't like the lower annual salary listing because they don't all want that salary structure. Plus, it would be normal for staff to have a base salary less than city manager. If the city manager salary is really \$216,000 a year, that makes for a better place from which staff can negotiate raises.

The city benefited from the restructured compensation package because its CalPERS obligation was lessened.

The staff report for the permanent city manager lists a salary range from \$178,467.95 to \$216,928.82.

Ultimately the council decided they wanted the city manager ads to say something about being open to a nontraditional pay structure like the former city manager had.

Council also directed the HR chief to tell the recruiting firm to concentrate on the city manager hire. Normally it would be the council, the mayor in particular, who would communicate with the recruiting firm. After all, the firm is working for the council – not staff.