



## MEMORANDUM

**TO:** City Council

**FROM:** Isaac Rosen, City Attorney

**SUBJECT:** Consideration of Appointment of City Manager and Approval of Employment Agreement

**DATE:** December 12, 2023

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### **SUMMARY OF ACTION:**

The City Council is being asked to consider approving the attached, negotiated Employment Agreement with Matthew J. Downing to serve as Arroyo Grande's City Manager, following an oral report summarizing the salaries, salary schedules or compensation paid in the form of fringe benefits consistent with the Brown Act.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

The negotiated City Manager contract sets an annual salary for the City Manager at \$235,900. The City Manager would receive approved Cost of Living Adjustments ("COLA") at the time of other unrepresented management employees and will be eligible for benefits consistent with other City employees. Other provisions that impact financial resources are set forth within the attached, negotiated Employment Agreement, including annual and accrued leave, severance, and other benefits. The salary and benefits described are within the FY 2023-24 City Manager division budget.

The City used Mosaic Public Partners to provide executive recruitment services totaling \$26,500. Significant City Council, City Attorney, and staff time was devoted to the recruitment process.

### **RECOMMENDATION:**

1) Approve the negotiated Employment Agreement with Matthew J. Downing, to serve as Arroyo Grande's City Manager, following the required oral report under the Brown Act and subject to any minor, non-substantive changes necessary for finalization; and 2) Find the action is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378).

**Item 12.a.**

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**BACKGROUND:**

The City completed a robust executive recruitment process for the vacant City Manager position in consultation with Mosaic Public Partners (“Mosaic”). The contract with Mosaic was approved by the City Council in open session, and took effect on August 22, 2023. During the time the City Manager position has been vacant, the City has been served by Bill Robeson, as Interim City Manager.

City Council provided direction for Mosaic and the City Attorney to negotiate a conditional offer of employment and the terms of an Employment Agreement with Matthew J. Downing, for the City Manager position. The attached Employment Agreement is to be considered by the City Council in open session and approved by formal action, following an oral report by the City Attorney pursuant to the Brown Act, Government Code section 54953. Specifically, there must be an oral report summarizing the recommendation on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be considered.

**ANALYSIS OF ISSUES:**

The approval of the negotiated contract by the City Council will allow Matthew Downing to serve as Arroyo Grande’s City Manager, with a start date scheduled for January 8, 2024.

**ALTERNATIVES:**

The following alternatives are provided for the Council’s consideration:

1. Approve staff’s recommendation;
2. Amend the terms of the negotiated Employment Agreement with Matthew J. Downing for the City Manager position;
3. Reject the proposed contract for Matthew J. Downing to serve in the City Manager position; or
4. Provide other direction to staff.

**ADVANTAGES:**

The City of Arroyo Grande will have a permanent City Manager following a robust executive management recruitment.

**DISADVANTAGES:**

No disadvantages have been identified.

**ENVIRONMENTAL REVIEW:**

Find the action is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable

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indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378).

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Employment Agreement
2. City Manager Job Description