



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
April 1, 2025

TOPIC: City Manager Performance Evaluation and Compensation Adjustment

AGENDA TITLE

Approve a First Amendment to Employment Agreement Between the City of Santa Ana and Alvaro Nuñez and Adopt a Resolution Approving the Council Appointee Salary Schedule

RECOMMENDED ACTION

1. Approve a first amendment to the Employment Agreement Between the City of Santa Ana and Alvaro Nuñez reflecting the positive City Manager performance evaluation conducted on March 18, 2025 and approving an adjusted annual salary for the City Manager of \$340,200 (Agreement No. A-2025-XXX).
2. Adopt a resolution updating the City's Classification and Compensation Plan with the amended annual salary for City Manager and approving the Council Appointee Salary Schedule in compliance with the California Public Employees' Retirement System (CalPERS) and Title 2 of the California Code of Regulations section 570.5.

RESOLUTION NO. 2025-XXX entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA TO EFFECT CERTAIN CHANGES TO THE CITY'S CLASSIFICATION AND COMPENSATION PLAN

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

The City's employment agreement with Alvaro Nuñez was first approved on August 6, 2024. The City Charter provides that the City Council shall conduct performance evaluations of its appointees on an annual basis. In addition, the City Manager's employment agreement provides for a review to evaluate the performance of the City Manager at least 120 days following the commencement of his job as the City Manager and annually thereafter. The City Council conducted a performance evaluation of the City Manager on March 18, 2025. The City Manager received a positive performance evaluation and proposed a salary increase to \$340,200, effective March 18, 2025. The City Council can approve the proposed First Amendment to the City Manager Employment Agreement to grant a salary increase (Exhibit 1). The proposed resolution

amends the City's Classification and Compensation Plan and approves the Council Appointee Salary Schedule to reflect the aforementioned City Manager salary adjustment (Exhibit 2).

ENVIRONMENTAL IMPACT

There are no environmental impacts associated with this action.

FISCAL IMPACT

Approval of these actions will result in an annual total increase of approximately \$7,834 in Fiscal Year 2024-25. There are sufficient funds in the City Manager's Office budget (account 011-03-010-61000) to cover the increased costs in the current fiscal year. Estimated total General Fund fiscal impact for FY2025-26 is \$27,591.

EXHIBIT(S)

1. First Amendment to the Employment Agreement Between the City of Santa Ana and Alvaro Nuñez affirming a positive performance evaluation and approving an annual salary adjustment for the City Manager; and
2. Resolution amending the City's Classification and Compensation Plan and approving the amended Council Appointee Salary Schedule

Submitted By: Lori Schnaider, Executive Director of Human Resources

Approved By: Kathryn Downs, Assistant City Manager