

## Desert Sun

Estimated printed pages: 3

October 6, 2005

Section: Opinion

Page: B6

**Our voice**  
*Editorial Board*  
*Staff*  
*The Desert Sun*

City on right track for rebuilding trust with new contract guidelines  
DHS drafts standardized contract for city managers

To get the train heading in the right direction, you first should make sure the track goes the right way. The Desert Hot Springs City Council did just that this week by developing a standardized contract and guidelines for paying future city managers.

That move follows September's council decisions when it wisely added other precautionary ordinances to the city code. Among those changes was requiring independent legal and financial analysis of city manager and city attorney contracts.

A standardized contract stabilizes the process used to pay a top employee. Former City Manager Jerry Hanson wrote his own contracts, which one council member has said was confusing and that he was led to believe said one thing when it actually said another. The standardized contract as drafted also prohibits the city manager from being eligible for severance buy-out if he or she is released from duty for criminal activity. That clause was missing from previous city manager contracts. Of course, some blanks remain in the standardized contract for final negotiations. Most notable is a final salary and severance benefits.

But the contract also addresses any concerns about that. As drafted, it outlines specific compensation rules that protect the city. Given Desert Hot Springs' size, the council should offer a new city manager between \$135,000 and \$155,000 a year, with additional benefits provided to all other city management employees thrown on top, as the standardized contract states, interim City Manager Corky Larson said. The contract also calls for official City Council action to offer benefits official, and requires the city manager to "maintain accurate records of all expenses for which reimbursement is claimed." Because those rules were missing from past contracts, the 59-year-old Hanson may cost the city \$3.19 million in retirement pay alone if he lives to 75.4 years, the average life expectancy for a white male - a financial train wreck for a city that had just gone through bankruptcy.

The standardized contract also aims to prevent questionable activities. It specifically prevents the city manager from investing or participating in any venture conducting business within the city limits during the city manager's employment without the council's consent. In addition, the contract prohibits the city manager, for a year after leaving his or her post, from participating in any matter that may come to the city for approval or a permit. The city manager also must inform the council in writing of the purchase of any real estate within Desert Hot Springs' boundaries, immediately upon the close of escrow.

Each of the standardized contract's elements is a key component in the council redeveloping residents' trust of municipal government. Continuing the Hanson course - of letting the city manager write his or contract - only took the city toward a cliff.

Glance:

THE ISSUE: Desert Hot Springs City Council approved a standardized contract for future city managers.

WE SUGGEST: The standardized contract protects the city and aims to end conflict of interest.

WHAT DO YOU THINK? Will the standardized contract restore confidence in Desert Hot Springs' municipal government?  
Send comments via the Web: [www.thedesertsun.com/letters](http://www.thedesertsun.com/letters)

---

Copyright (c) The Desert Sun. All rights reserved. Reproduced with the permission of Gannett Co., Inc. by NewsBank, inc.