

# NEWS



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## **CITY MANAGER ANNOUNCES RETIREMENT**

SUNNYVALE, Calif. – Sunnyvale City Manager Gary Luebbers announced that he will retire in October, after nearly five years of guiding the City through the effects of a global recession and into economic recovery.

“It has truly been an honor and privilege to work beside Sunnyvale’s employees,” shared Luebbers. “They stepped to the plate and made difficult but necessary decisions that helped the City deliver the best possible services while controlling personnel costs. I cannot overstate the importance and significance of their accomplishment.”

“Gary came to Sunnyvale faced with unprecedented economic challenges,” agreed Mayor Anthony “Tony” Spitaleri. “Now he’s leaving us with a more efficient organization, restored service levels and a structurally-sound budget. I honestly don’t know what more a City Council could ask from its City Manager.”

When Luebbers first arrived in early December 2008, the City was in the midst of the recession and the worst of two worlds – significant declines in its major revenue sources compounded by escalating pension expenses. “I call it as I see it,” said Luebbers. “Even though our budget had always been balanced and our reserves were at comfortable levels, in reality we were not adequately funding some of our core services such as paving roads, trimming trees and maintaining facilities and infrastructure. The recession brought that to light.”

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Luebbers recalled that the silver lining was the City's long-standing practice of 20-year financial planning. "Because Sunnyvale takes such a long view with its budget process, we had the luxury of time to address our challenges strategically and for the long-term. The question was 'Could we find solutions and have the discipline to implement them?' Time has shown the answer to be 'Yes.'"

"Gary's leadership, creativity and use of the 20-year financial plan to convey and rally support for difficult but key decisions was the difference-maker," emphasized Vice Mayor Jim Griffith. "Sunnyvale was able to batten down the hatches and keep services going at a time when many other cities had no other option but to lay off or furlough their employees. Sunnyvale experienced none of that."

Several key commitments formed the basis of Luebbers' approach to operating the organization to include managing personnel costs, funding long-term retirement costs, and optimizing staffing levels and funding for core services and infrastructure needs. Luebbers initially reorganized the staff to operate more efficiently and then worked with the City's employee bargaining units to control costs going forward. "Our employees not only came to the table to negotiate significant concessions to their agreements, they also jumped in to still get the job done despite having 20% fewer personnel than we did a decade ago," said Luebbers. "The concessions will serve the community for years to come and are a shining example of our employees' professionalism."

Luebbers also took an aggressive approach with the City's pension liability by paying more than the required CalPERS contribution and building into the financial plan the assumption that all employees will pay their full employee pension contribution when contracts are renegotiated over the next several years. "You don't have to take my word for it that these decisions, supported by our employees and Council, are the right ones to make," said Luebbers. "Sunnyvale is one of only eight cities in California with Moody's highest credit rating in large part because of our strong budget management and proactive approach to our pension costs."

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In addition to restructuring the organization to operate more efficiently and reduce the costs of providing services, Luebbers challenged City staff to find ways to change the way they do business. Out of this came *Sunnyvale Works!*, an award-winning program that accelerated the rate at which the City designed, bid, awarded and put under construction its capital projects, while also creating new jobs in the hard-hit construction industry. Not only was the City able to implement more than \$80 million in projects within 20 months, it also saved millions over original cost estimates because construction companies were lowering prices to keep their crews working during the recession.

“I owe a great deal of thanks to all of the Sunnyvale staff for the commitment they have made to the City’s success over the past five years. Without them, none of our work would be possible. I pushed them hard and then they pushed themselves harder,” said Luebbers. “I also cannot say enough about the loyalty, integrity and professionalism of my executive team – all of the City’s Department Directors. Most of them came to Sunnyvale to work for me when both the City and I needed them. In all cases, they have been up to every challenge and had superlative performance. I am so pleased to call us a team in every sense of the word.”

The City is now seeing the positive effects of the hard work over the past few years and the rebounding economy. Seven Seas Park, the City’s first new park in over a decade, is under construction. The vital road maintenance program is back on track and the condition of the City’s pavement, which had been deteriorating over the past decade, is at near optimum standards. The City’s tree trimming program had declined and is now back into a cycle more aggressive than at any time in recent history. Just this year, the Community Service Officer program was established in the Department of Public Safety. And the recently approved budget included new positions to begin the process of rebuilding to optimum staffing levels.

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Councilman Dave Whittum expressed appreciation for Luebbers' leadership and involvement. "Gary's skills as a former basketball coach carried over to City Hall. As he likes to say 'We play like we're behind' but have no doubt he assembled and led a winning team. Gary also really listened to and engaged the community. He would go out on bike rides and then walk the sites where issues were occurring. Time and time again he would see that our community got what it needed on projects large and small. I really thought and hoped we'd have him here another 15 years."

Luebbers is confident that the City is in a position to make a seamless transition to a new City Manager given Sunnyvale's positive financial picture, first class staff and important services and projects underway or being prepared. "Thank you especially to the City Council for the chance and the honor of being the Sunnyvale City Manager and the support they have given me over the past five years. Now, after 21 years in the U.S. Air Force and 20 years as a city manager, it is time for a breather. So out comes my bucket list and the opportunity to make up for time I haven't spent with my eight grandchildren. Jeannie and I will miss all that we have grown so fond of here in Sunnyvale."

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