

East P.A. investigates city manager's raises

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James White is in big trouble over what he did within three days of taking over as East Palo Alto's acting city manager last December:

He gave himself two raises totaling \$12,000, authorizing them by using a rubber stamp of the mayor's signature.

White, 42, said Monday he had the blessing of then-Mayor Barbara Mouton when he increased his pay by one-third to \$47,707.

She said he didn't.

And the city attorney said it doesn't really matter whether she

did or didn't, because the law doesn't give the mayor authority to grant pay raises.

Only the City Council can do that, said the attorney, Robert Johnson. The council never voted on White's first raise. Johnson and the City Council are studying whether the second raise was approved.

The council has scheduled a special meeting Thursday evening to discuss what to do.

Johnson said that if the council finds White at fault it could do anything from reprimanding him

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to firing him. He said the council could also consider asking the district attorney to investigate filing criminal charges.

The council is also looking into allegations that White misused city credit cards by charging more than \$3,000 in business lunches over the last six months.

"It's all political," White said.

He claimed Mouton knew that he had raised his salary on Dec. 21 and 22 and questioned why she is only now making the raises an issue.

"I've basically fallen out of favor with Mrs. Mouton. . . . This is a personal vendetta," said White, who took over when East Palo Alto's first city manager, Fred Howell, resigned under pressure on Dec. 18. Howell said at the time that Mouton had forced him out.

Mouton said Monday that she never made an issue of the raises because she didn't know about

them until several weeks ago. She said that after joining the city's financial sub-committee on May 4 she discovered documents showing her rubber-stamp approval of the raises. Then she brought them to the attention of the council.

She said she has no vendetta against White.

"The City Council doesn't have vendettas against its employees," she said.

White's claim that she approved his increased salary is a "misrepresentation," she added.

Johnson, the city attorney, said raises for department heads must go through the City Council.

He said the council neither discussed nor voted on White's first raise, which was for 15.79 percent.

White said it was a merit raise that Howell had authorized before he resigned.

White said the second raise, for 17.55 percent, was to match his new responsibilities.

Johnson said the issue is complicated because the council did discuss — in general terms — the need for a raise. He and the council are reviewing minutes of meetings to see whether approval of a raise was implied.

"At this point we're giving White the benefit of the doubt. . . . (But) if there is evidence of misappropriation or fraud, we will be given no choice but to take action," he said.

White contended that Johnson was mistaken. He said that as acting city manager he had final approval over pay raises except his own, which had to be approved by the mayor.

The investigation into White's use of city credit cards stems from bills averaging about \$115 a week — \$23 a day — for business lunches at restaurants. White said most of them were with city employees, including police officers with whom the city was negotiating a contract.

"From my point of view, the lunches were a very good investment," he said, adding that the lunches boosted employees' morale.

Mouton disagreed with White's practice of conducting business lunches in restaurants.

Councilman Warnell Coats said the situation will hurt the city regardless of how it is resolved. He criticized White for overstepping his authority but agreed with White's assessment that the dispute is a personal struggle between the acting city manager and the former mayor.

The situation is a symptom of a problem East Palo Alto has always faced, he said.

"Until the council gets its act together, we will never overcome problems like these. They have basically taken the rope out of White's pocket to hang him with."