



Legislation Text

File #: 15-089, **Version:** 1

Staff Report for a Resolution Approving a New Agreement with Mr. Chris Zapata for Employment of City Manager

BACKGROUND and ANALYSIS

At the direction of the City Council, the City Attorney proceeded to complete negotiations of a draft agreement for the continued employment of Mr. Chris Zapata as the City Manager. The parties agreed to use the current contract, which was executed on January 17, 2012, as the template for the new agreement. Therefore, provided below are only the terms that are materially different from the first agreement:

1. Effective Date and Term: January 30, 2015 to January 30, 2020
2. Provision and Use of City equipment to carry out City Manager's duties and functions: The City will provide City Manager, at City's cost and expense and City Manager's sole discretion to use or accept, any and all equipment, including communication devices such as a smartphone and tablet computer, and a vehicle including gasoline and insurance coverage, reasonably necessary for the City Manager to carry out his duties.
3. The City Manager must provide the City Council with 180 days written notice before terminating the agreement.
4. Effective January 30, 2012 and each year thereafter, the City Manager's annual base salary will be adjusted by the CPI, starting with his current annual base salary of \$223,000.
5. The City Council acknowledges in the agreement that since January 1, 2013, the City Manager committed to voluntarily contribute \$20,000 of his annual base salary to pay \$10,000 each to the Police Chief and the Assistant City Manager for the remainder of the terms of their employment agreements, which both terminate on December 31, 2017. This created an Effective Base Salary that is paid to the City Manager that is different from his Annual Base Salary, which is adjusted according to the CPI. The City Council agreed that should the employment of either or both of the persons who occupy those positions terminate before December 31, 2017, then the City Manager's voluntary annual contribution would be returned to him on a pro rata basis. Furthermore, the City Manager's commitment would automatically terminate December 31, 2017, so that he would be paid his annual base salary, as defined in the agreement, for the last two years of his contract.
6. Within 15 days of the execution of the Agreement, the City will pay the City Manager a one-time lump sum payment of \$22,300.00 in recognition of the City Manager's performance for the previous three years. If the City Manager's employment is terminated prior to the end of the five year term, with or without cause, the City Manager must reimburse the City the lump

sum payment on a pro-rata basis.

7. The City Manager will receive the same benefits provided to management employees, including 25 annual vacation days, and 12 days of annual sick leave. The City will contribute \$1,500.00 per month in lieu of medical, dental, and vision benefits for the term of the Agreement.

The remainder of the agreement is substantially similar as the first agreement.

Fiscal Impact

To provide funding for the new contract, \$45,000 will be transferred from the General Fund economic uncertainty reserve to the 2014-15 Adopted Budget salary and benefit account #'s 010-12-020-4101, 4210, and 4240.

ATTACHMENT

Attachment to Resolution

- DRAFT Agreement for Employment of City Manager

PREPARED BY: Richard D. Pio Roda, City Attorney
David Baum, Finance Director (for Fiscal Impact)