



TO: Councilmembers

FROM: Paula Perotte, Mayor

CONTACT: Michael Jenkins, City Attorney

SUBJECT: Amendment to City Manager Employment Agreement

RECOMMENDATION:

Approve and authorize the Mayor to execute Amendment No. 2 to the Agreement for Employment of the City Manager between the City of Goleta and Michelle Greene providing a two percent (2%) base salary increase effective October 26, 2019 and providing for an annual cost-of-living increase effective the first day of the first full pay period following October 21 of each subsequent year in an amount equivalent to the percent change in the September Consumer Price Index for the Los Angeles-Long Beach-Anaheim, CA area during the preceding 12-month period.

BACKGROUND:

The City Manager is one of only two positions that report directly to the City Council. Michelle Greene was appointed to serve as Goleta City Manager effective October 21, 2014 after serving as interim City Manager.

On December 17, 2019 and January 21, 2020, the City Council met in closed session to conduct an annual performance review of the City Manager and consider adjustments to her compensation. The full City Council has expressed its support of the City Manager and appreciation for her performance over the prior year. Pursuant to the terms of the City Manager agreement, it is appropriate to recognize the City Manager's performance with additional compensation. On February 4, 2020, the City Council met in closed session to provide direction to the Mayor to negotiate changes to the current employment agreement.

DISCUSSION:

Changes to the aforementioned contract have been negotiated and this report provides an opportunity for the Council to authorize an increase the City Manager's salary of two percent effective the first full pay period following October 21, 2019 (October 26, 2019), and modify the methodology of determining future annual indexed adjustments.

FISCAL IMPACTS:

The cost of the proposed additional 2% salary increase is approximately \$3,320 for this fiscal year, and funds are available in the City Manager's approved budget to cover the proposed increase. No additional appropriation is required.

ALTERNATIVES:

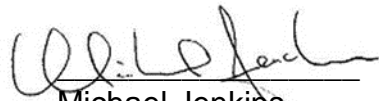
Council could direct that different compensation adjustments be approved.

Reviewed By:



Kristy Schmidt
Assistant City Manager

Legal Review By:



Michael Jenkins
City Attorney

ATTACHMENT:

1. Second Amended Agreement for Employment of the City Manager (2014-109.2)

ATTACHMENT 1:

Second Amended Agreement for Employment of the City Manager (2014-109.2)

**SECOND AMENDMENT TO
CITY MANAGER EMPLOYMENT AGREEMENT**

This SECOND AMENDMENT TO EMPLOYMENT AGREEMENT (hereinafter “Second Amendment”) is made and entered into as of the ___ day of February, 2020, by and between the CITY OF GOLETA, a California general law city and municipal corporation (hereinafter “City”) and MICHELLE GREENE (hereinafter “Employee”).

RECITALS

A. City and Employee entered into an Agreement for Employment of City Manager as of October 21, 2014, as amended by a First Amended Agreement for Employment of City Manager dated January 19, 2016 (collectively hereinafter the “Agreement”) providing for employment of Employee as City Manager of City.

B. The parties now desire to modify the Agreement in order to increase Employee’s salary by two percent effective the first full pay period following October 21, 2019 (October 26, 2019), and modify the methodology of determining the annual indexed adjustment.

NOW, THEREFORE, in consideration of the foregoing, the parties agree to amend the Agreement as follows:

1. SECTIONS III(A) and (B) (1) are amended to read:

A. Salary. Employee shall be employed at an annual salary of \$253,073.60. The salary will be paid on a bi-weekly basis.

B. Salary Adjustments.

1. Annual Indexed Increases. Employee shall be entitled to an annual cost of living adjustment by a percent equivalent to the percent change in the September

Consumer Price Index during the preceding 12-month period , effective the first pay period following the annual renewal date without the need for a separate amendment to this agreement. The term "CPI" as used herein shall mean the Consumer Price Index All Urban Consumers (all items less food and energy; base year 1982-84 --- 100) for the Los Angeles-Long Beach-Anaheim, CA area published by the United States Department of Labor, Bureau of Labor Statistics.

2. SECTION V. (F) of the Agreement is amended to read:

F. Full Hourly Rate. As used in the Agreement the term “full hourly rate” or “hourly rate” will mean City Manager’s salary multiplied by 12 and divided by 2,080, i.e., the salary in the Agreement is the amount of \$253,073.60 per annum would be divided by 2,080 to equal a base hourly salary of \$121.67.

In all other respects the Agreement is hereby reaffirmed and in full force and effect.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first above written.

EMPLOYEE

CITY OF GOLETA

MICHELLE GREENE
CITY MANAGER

PAULA PEROTTE
MAYOR

ATTEST:

DEBORAH LOPEZ
CITY CLERK

APPROVE AS TO FORM:

MICHAEL JENKINS
CITY ATTORNEY