

MEMORANDUM

TO: Lemoore City Council

FROM: Hilda Cantú Montoy
City Attorney

DATE: August 22, 2007

RE: First Amendment – City Manager’s Employment Agreement

Discussion:

The Council has conducted the City Manager’s annual performance evaluation.

The attached proposed amendment to the City Manager’s Employment Agreement includes:

1. An increase to the City Manager’s salary comprised of a step increase (step E to F—top step) and 4% COLA.
2. An increase in deferred compensation in the same manner provided to management employees effective July 1, 2007.
3. A clarification to an ambiguity in the Agreement relating to severance pay. The language clarifies that the severance pay calculations are based on the City Manager’s initial appointment.

Budget Impact:

The salary increase and deferred compensation increases result in an additional annual cost of \$10,874 from the General Fund.

Recommendation:

The proposed amendment is consistent with direction provided under labor negotiations and would have an effective date of August 1, 2007.