

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

<p>AGENDA TITLE: Amendments to City Manager Employment Contract DEPARTMENT: City Council PRESENTED BY: Ronald Hansen, Mayor Ian Sievers, City Attorney</p>

Note: This is a revision of the report and attached contract distributed for the meeting of January 3, 2005.

ISSUE STATEMENT:

The City Council recently completed the performance evaluation of the City Manager according to the City Manager's contract executed April 17, 2001. The Council and City Manager use this review as an opportunity to define goals and objectives and professional development for the City Manager for the upcoming year, and to adjust salary and benefits based on city operations, progress on the Council Work Plan and other performance objectives over the past year. The City Manager position is not included in the employee compensation plan adjustments made annually in the city budget, and all compensation changes must be approved through contract amendment.

As a result of this evaluation the Council recommended three changes to the current employment agreement. 1) The base salary of Section 4 is increased to \$122,538 effective February 1, 2004 and to \$124,989 beginning February 1, 2005, 2) the automobile allowance is increased by \$50 per month, and 3) vacation leave accrual is increased by four days per year. This is the first adjustment to vacation accrual and the car allowance since Mr. Burkett was hired as City Manager in April, 2001. These changes to compensation (Sections 4, 7 and 8) are incorporated into the Third Amended Employment Agreement Between the City of Shoreline, Washington and Steven C. Burkett (Attachment A).

In addition, the Council has awarded a lump sum performance payment of \$2,500 under Section 12 B of the employment contract. This performance bonus will be paid on the next regular payroll date after Council action.

These changes will continue to maintain Mr. Burkett close to the median of total compensation for his peers in the Puget Sound region.

FINANCIAL IMPACT:

This contract amendment and performance payment will result in a compensation increase of \$4193 for 2004 and \$5443 for 2005 (exclusive of leave accrual) There is

sufficient funding in the department's 2004 carryover budget and 2005 budget to cover these increases.

RECOMMENDATION

Approve the proposed Third Amended Employment Agreement with Steven Burkett and a performance payment in the amount of \$2,500.

Approved By: Deputy City Manager ____ City Attorney ____

Attachment A

THIRD AMENDED EMPLOYMENT AGREEMENT BETWEEN THE CITY OF SHORELINE, WASHINGTON AND STEVEN C. BURKETT

**THIRD AMENDED EMPLOYMENT AGREEMENT BETWEEN THE CITY OF SHORELINE,
WASHINGTON AND STEVEN C. BURKETT.**

CONTRACT NO.

WHEREAS an agreement was entered into by and between the City of Shoreline, Washington, and Steven C. Burkett on April 17, 2001; and

WHEREAS the parties desire to amend said agreement in order to reflect a review of performance, salary and benefits and other conditions of employment conducted by the City Council;

Now, therefore, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. **Existing Agreement Amended:** The City and Steven C. Burkett entered into the agreement identified as: EMPLOYMENT AGREEMENT BETWEEN THE CITY OF SHORELINE, WASHINGTON AND STEVEN C. BURKETT dated April 17, 2001 as amended June 17, 2002 and, June 16, 2003. The parties hereby further amend that agreement.

2. **Amendment to Existing Agreement:** The agreement is amended in the following respect(s):

a.) Section 4 is amended to read:

Employer agrees to pay City Manager for his services as City Manager an annual base salary of ~~\$120,691~~ \$122,538 effective February 1, ~~2003-2004~~, and \$124,989 effective February 1, 2005 payable on the City's regular payroll schedule. Adjustments to this amount may be made at the discretion of the City Council as a result of the annual performance evaluation described in Section 12.

b) Section 7 is amended to read :

Employer agrees to provide a car allowance in the amount of ~~\$400~~ \$450 per month, paid monthly. Such car allowance is to reimburse Employee for the cost of purchasing, insuring, operating and maintaining a vehicle for use in the performance of his duties as City Manager. Parking, tolls and operating expenses beyond a 300 Mile radius of Shoreline shall be considered outside the allowance amount and subject to reimbursement.

c) Section 8 A. is amended to read:

A. Employee shall be credited with a vacation leave balance of 15 days upon his date of employment. Such vacation accrual shall be immediately available for use at the discretion of Employee. In addition, Employee shall accrue vacation leave at the rate equal to ~~20~~ 24 days in each calendar year. The City Manager may only carry over 40 days of vacation leave from December 31 of any year to January 1 of the next year. Vacation in excess of this balance not used by the end of the year shall be forfeited.

3. **Terms and Conditions of Existing Agreement Remain the Same:** The parties agree that, except as specifically provided in this amendment, the terms and conditions of the existing agreement continue in full force and effect.

EXECUTED this the _____ day of _____, 20_____.

CITY OF SHORELINE

STEVEN C. BURKETT, City Manager

Ronald Hansen, Mayor

APPROVED AS TO FORM:

Ian Sievers, City Attorney