

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Approval of Employment Contract Retaining Robert Olander as City Manager
DEPARTMENT: City Council
PRESENTED BY: Robert Ransom, Mayor
Ian Sievers, City Attorney

ISSUE STATEMENT:

The City Council recently evaluated the qualifications of Interim City Manager Robert Olander to fill the position of City Manager and it was concluded that Mr. Olander is highly qualified and the City would be best served by offering the position to him and negotiating terms of an employment contract.

The terms of the proposed contract were negotiated with Mr. Olander. The agreed terms were memorialized in final form by the City Attorney using provisions of model contracts and past Shoreline City Manager contracts. At the request of the Mayor the final draft was referred by the City Attorney to independent counsel to represent the City's interest in assuring that the proper provisions were included to protect the City's interests and the negotiated terms were within a reasonable range for the position of City Manager. Bruce Disend of the law firm of Kenyon Disend LLC was selected based on his broad experience with different cities' city manager contracts and his unique knowledge of Shoreline and Shoreline employment benefits. Mr. Disend was Shoreline City Attorney before joining the Kenyon Disend Firm in 1999. Mr. Disend presented several language changes and suggestions that both the Mayor and Mr. Olander either agreed provided useful clarification or were not needed based on Shoreline's administrative processes or the parties' consideration during negotiations. The proposed contract includes the agreed changes.

Attachment A is a comparison of terms of the proposed contract with those of the 2005 contract for City Manager. Attachment B is a 2005 City Manager Salary Survey.

RECOMMENDATION

Approve the proposed Employment Agreement Between City of Shoreline and Robert Olander for the position of City Manager.

Approved By: Mayor _____ City Attorney 

Attachments: A Compensation comparison
B- City Manager Salary Survey
C- Proposed employment contract

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City Manager Compensation

Item	Recommended	2005 Burkett Contract	2006 DCM Position
Base Salary	\$136,000 (10% above top of range for DCM)	\$125,000	\$130,000 *Interim City Manager salary at \$130,000 annually \$124,000 top of the range for DCM
Car allowance	\$400/month	\$450/month	\$300/month
Vacation	23 days annual – top of Shoreline schedule	24	18
Management Leave	3 days annually *Same for all management employees	3	3
Personal Leave	2 days *Same for all City employees	2	2
Sick Leave	12 days annually *Same for all City employees	12	12
Health	\$764/month *Same schedule for all employees	\$769	\$769
State Retirement (PERS)	1. Employer share of PERS (currently 2.44%) 2. Plus the difference between the employer share of PERS and 7.8% to employee 457 deferred comp plan, to be recalculated annually to account for increases in employer PERS contributions	7.8% base	2.44% base
Social Security Replacement	6.2% *Same for all employees	6.2%	6.2%
Disability/Life	\$31.50/month *Same schedule for all employees	\$73/month	\$31.50/month
Bonus	Annual CPI increase equivalent to all other City employees	Up to \$6,000	None
Severance	9 months combined severance and/or notice	6 months	none

03.21.06

City Manager Salary Survey
2005
3/20/2006

City	Position	Pop.	Salary Year	Salary Month	Hourly Rate	City Paid % - City portion	PERS City Paid 401A - Supplemental City %	Soc. Sec/ 401K/A - City Portion	Deferred Comp. 457 - City portion?	Med-Dental	Vacation Accrual	VEH \$	Other \$ Not inc. in total
Bellefonte	City MGR	116,400	173,015	14,418	83	CM Opt Out	7.00%	6.20%		1075	25 days/year	450	4700 yr to supplemental Life Ins
Boothell	City MGR	30,910	135,000	11,250	65	2.4%		7.65%	3%	865	12 days (10 Days ML)	300	5-15% Annual Bonus: \$13,000 Moving
Burren	City MGR	31,480	119,004	9,917	57	CM Opt Out	7.50%	5.85%		832	19 Days ML - use it or lose it! (5 Days plus 8 hours Floating)	400	
Kenmore	City MGR	19,200	121,758	10,147	59	2.4%		5.20%	\$331	461	20 Days plus 8 hours Floating	200	0
Kirkland	City MGR	45,630	142,548	11,879	69	CM Opt Out	11.50%	6.20%		1160	20 Days (6.2 Days ML paid out)	325	Premium paid for Life Ins. At 2 x annual sal.
Lacey	City MGR	32,240	129,828	10,819	62	2.4%		6.20%	3%	787	30 Days		\$412/mo Misc Comp
Mercer Island	City MGR	21,840	135,000	11,250	65	2.4%	\$6000 yr	6.20%		391	25 Days	300	bonus up to 7.5% of base salary
Puyallup	City MGR	35,490	130,476	10,873	63	2.4%		6.20%	10.00%	809	24 Days	500	
Sammamish	City MGR	35,930	146,490	12,208	70	2.4%	7.20%	5.40%		1253	25 days/year	486	Performance based bonus
SeaTac	City MGR	25,100	126,000	10,500	61	2.4%		4.915%	4.00%	930	24 Days (6 Days ML)		0
Shoreline	City MGR	52,730	124,989	10,416	60	CM Opt Out	7.80%	6.20%		769	24 Days	450	Premium paid for Life Ins. At 2 x annual sal. Also, discretionary lump sum up to \$6K bonus
University Place	City MGR	30,720	129,924	10,827	62	2.4%	4.00%	6.20%	\$224 mo	490	30 Days	450	will get paid 1/2 of accrued sick leave his last 2 years of employment
Average 2005			134,503	11,209	65			0	4.32%	819	21.6 Days Vacation 5.12 Days ML	271.1	

ATTACHMENT B