

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Approval of an Amendment to the City Manager's Employment Agreement		
<b>DEPARTMENT:</b>	City Manager's Office		
<b>PRESENTED BY:</b>	Shari Winstead, Mayor Debbie Tarry, City Manager		
<b>ACTION:</b>	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Motion
	<input type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

**PROBLEM/ISSUE STATEMENT:**

In October, the City Council requested Ralph Andersen and Associates to provide information on City Manager compensation for cities in the City's defined labor market. Based on that information it was determined that Shoreline's compensation package was approximately 22% under the median of the market for comparable positions. On November 23 the Mayor requested that the City Manager prepare an amendment to the employment agreement (Attachment A).

**RESOURCE/FINANCIAL IMPACT:**

The attached amendment provides a three year process to move the City Manager's compensation package closer to the median of the City's labor market. The amendment sets a 2016 base annual salary of \$179,640 and a 2016 deferred compensation contribution of \$3,600.

**RECOMMENDATION**

It is recommended that the City Council approve the attached amendment to the employment agreement between the City and the City Manager.

**ATTACHMENTS**

Attachment A – City Manager Employment Agreement Amendment

Approved By:            City Manager **DT**    City Attorney **MK**

**AMENDMENT TO  
EMPLOYMENT AGREEMENT FOR DEBBIE TARRY**

(Original Contract No. 7532)

Whereas an employment agreement was entered into by and between the City of Shoreline, Washington, and Debbie Tarry on January 7, 2014; and

Whereas, the parties desire to update said agreement in order to move Shoreline's City Manager compensation closer to the median of the City's labor market for comparable positions based on recent survey data; now therefore

IN CONSIDERATION of the mutual covenants contained herein, the parties agree as follows:

1. **Existing Agreement Amended:** The City of Shoreline ("City" or "Employer") and Debbie Tarry ("Employee") entered into the employment agreement dated January 7, 2014, Contract No. 7532 ("Agreement"). The parties hereby amend that Agreement.
2. **Amendment to Existing Agreement:** The Agreement is amended in the following respects:
  - a. Section 3 A. is amended to read:
    - A. Base Annual Salary. For services rendered by Employee pursuant to this Agreement, Employer shall pay Employee a base annual salary as follows:
      1. Effective January 1, 2016 – One Hundred Seventy-Nine Thousand Six Hundred Forty Dollars (\$179,640).
      2. Effective January 1, 2017 – One Hundred Eighty-Six Thousand Eight Hundred Forty Dollars (\$186,840) in 2016 dollars.
      3. Effective January 1, 2018 – One Hundred Ninety-Four Thousand Three Hundred Forty Dollars (\$194,340) in 2016 dollars, on the City's regular payroll schedule. The Employer agrees to increase the base salary each year by the amount of the across the board cost of living increase applied to salary ranges of the other employees of the Employer; provided, the Employer agrees to additional increases necessary to maintain a minimum of 10% salary differential between the City Manager and her highest paid subordinate. This is a flat or one-step range. Employer agrees that during the term of employment as City Manager Employee's salary will never be reduced below the base annual salary as adjusted above, except as provided in Section 6.

b. Section 3 D. is amended to read:

D. Retirement.

1. Employee is covered by the State of Washington PERS 3 retirement system. Employer shall contribute the State required amounts for the Employer's share of Employee's participation in the PERS 3 retirement system as established in state law. The parties acknowledge that the amount of the employer contribution is subject to adjustment by the state legislature in the future and agree that said contribution shall be adjusted (either increased or decreased) accordingly.
2. Employer shall contribute the following to the Employee's 457 Deferred Compensation Plan:
  1. Effective January 1, 2016 – Three Hundred Dollars (\$300) per month.
  2. Effective January 1, 2017 – Six Hundred Twenty-Five Dollars (\$625) per month.
  3. Effective January 1, 2018 – Eight-Hundred Ninety Dollars (\$890) per month.
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 7th day of December, 2015.

CITY OF SHORELINE

EMPLOYEE

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Shari Winstead  
Mayor

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Debbie Tarry  
City Manager

APPROVED AS TO FORM:

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Margaret King, City Attorney