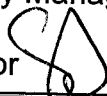


CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Amendments to City Manager Employment Contract
DEPARTMENT:	City Council
PRESENTED BY:	Scott Jepsen, Mayor 

ISSUE STATEMENT:

The City Council recently completed the first annual performance evaluation of the City Manager on May 6th 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, and progress on the Council Work Plan and other performance objectives over the past year.

As a result of this evaluation the Council recommended three changes to the current employment agreement. The base salary of Section 4 is increased to \$119,025 which reflects an adjustment of 3.5% over 2001 compensation. This is the same increase made to other city employee salaries for 2002. This increase is effective February 1, 2002.

In addition, the Council has awarded a lump sum incentive payment of \$2,000 under Section 12(B) of the contract based on the annual performance evaluation.

Finally, Council recommends revision to the residency requirements Section 11 A. This section required establishment of residence within the municipal boundaries of Shoreline as soon as practical after hiring, with transitional housing outside the corporate limits within a 30-minute response distance to the City. RCW 35A.13.050 allows the City Council to waive residency in the City for the City Manager. Council considered this requirement and recommended allowing continued residency outside the City but within five miles.

The change to base salary (Section 4) and residency (Section 11) are incorporated into the First Amended Employment Agreement Between the City of Shoreline, Washington and Steven C. Burkett (Attachment A).

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 will result in a base salary increase of \$4025. \$3689.58 of this increase along with an increase of \$516.54 in the annual retirement benefit¹ will be paid in 2002. With the \$2,000 incentive payment, the 2002 budget for salaries and benefits in the City Manager's Office will increase by a total of \$6206.12. There is sufficient funding in the department's budget to cover this increase.

RECOMMENDATION

Approve the proposed First Amended Employment Agreement with Steven Burkett and an incentive payment for 2002 in the amount of \$2,000.

Approved By: City Manager _____ City Attorney 

Attachment A

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

¹ Section 5 of the contract sets a total retirement benefit payment of 14% of base salary as adjusted under Section 4.

**FIRST 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 May 6, 2002 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. The parties hereby 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 ~~\$115,000-~~ \$119,025 effective February 1, 2002, 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 11 (A) is amended to read:

City Manager agrees to establish residence within five miles of the corporate boundaries of the City of Shoreline. ~~as soon as practical, recognizing his obligation to sell his current out of state residence; and thereafter to maintain residence within the corporate boundaries of the City of Shoreline. It is recognized that during the transition period, residence outside the corporate limits of the City may be required, but in any case shall be within a 30 minute response distance of the City.~~ -

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

Scott Jepsen, Mayor

APPROVED AS TO FORM:

Ian Sievers, City Attorney

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