

City Council Agenda Item

City Council Meeting Date: December 20, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Jeff Malawy, City Attorney

Jmalawy@awattorneys.com

SUBJECT: Consideration of First Amendment to City Manager Employment Agreement

with Dean Albro

Recommendation:

It is recommended the City Council approve the First Amendment to City of Lompoc City Manager Employment Agreement with Dean Albro (Attachment 1) and direct the Mayor to execute it on behalf of the City Council.

Background/Discussion:

The City Council recently met in closed session to conduct a performance evaluation of City Manager Dean Albro pursuant to Section 5.2 of his Employment Agreement (Agreement) (Attachment 2). As a result of the performance evaluation and subsequent contract negotiation, the City Council and Mr. Albro tentatively agreed to amend the contractual terms of his employment to provide a compensation adjustment consistent with what the City's Management, Supervisory, and Confidential (MS&C) employees group received earlier this year. Per Section 6.3 of the Agreement, Mr. Albro has opted out of the City's health insurance coverage and vision coverage for the term of the Agreement. The First Amendment to the City of Lompoc City Manager Employment Agreement (First Amendment) (Attachment 1) has therefore been prepared for the City Council's consideration.

The First Amendment would specifically amend the Agreement to provide the following, consistent with the MS&C classification:

- (i) One-time base salary increase of 4% effective January 1, 2023 (increasing annual salary from \$230,000 to \$239,200).
- (ii) Also provide that Mr. Albro is subject to the same vacation, management, and holiday leave cashout election and payout timing requirements as the City's MS&C employees, and that such elections are irrevocable. The intent is to address mandatory IRS constructive receipt rules regarding the timing for paying those benefits, and ensure that the City Manager is subject to the same requirements in this regard as other City employees.

December 20, 2022 City Manager Employment Contract Page 2 of 2

Fiscal Impact:

The effect of the contract amendment on the Biennial Budget FY 2023 is approximately \$5,661. There are sufficient appropriations in the current fiscal year budget to provide for those costs.

Conclusion:

It is recommended the City Council approve the First Amendment and instruct the Mayor to sign it on behalf of the City Council.

Respectfully submitted,

Jeff Malawy, City Attorney

Attachments: 1) First Amendment to City Manager Agreement

2) City Manager Agreement