



Agenda Report

October 21, 2024

TO: City Council

FROM: Mayor Victor M. Gordo

SUBJECT: APPROVE A SECOND AMENDMENT TO EMPLOYMENT AGREEMENT FOR CITY MANAGER

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action in the agenda report is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) "Common Sense" exemption; and
2. Approve a second amendment to the employment agreement for City Manager Miguel Márquez to provide an increase to salary and the classification's salary control rate. It is further recommended that the Mayor be authorized to sign the second amendment to the employment agreement to reflect City Council-approved changes.

BACKGROUND:

On July 11, 2022, the City entered into an employment agreement (Contract No. 23,680) with Miguel Márquez as City Manager. The agreement commenced on August 29, 2022 and was modified one time on November 13, 2023 (Contract No. 23,680-1). As a result of the City Manager's recently completed performance evaluation covering 2023-2024, the Council recommends approving the attached second contract amendment (Contract No. 23,680-2) for Miguel Márquez with the following modifications:

1. Compensation/Salary – Effective July 15, 2024, the City Manager will be paid a base annual salary of \$378,241 representing a 4% general wage increase, and the salary control rate for the City Manager classification shall also be \$378,241. This aligns with the effective date and salary increase other non-represented employees received as part of the non-represented Salary Resolutions.

Effective August 26, 2024, the City Manager will be paid a base annual salary of \$423,630 representing a 12% merit/salary adjustment, and the salary control rate for the City Manager classification shall also be \$423,630. The increase takes into consideration the regional labor market, internal salary differentials between the position and direct reports, and his performance, which continues to exceed expectations.

2. Bonus Pay – The City Manager will receive a one-time, lump sum payment of \$50,836 (12% of salary) in recognition of his superior performance and accomplishments during this evaluation period.

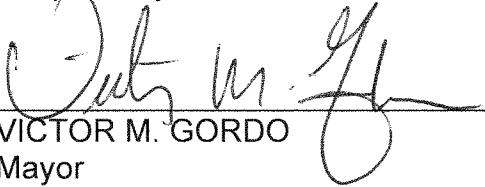
COUNCIL POLICY CONSIDERATION:

The approval of the amendment to the employment agreement supports the City Council's strategic goal of maintaining fiscal responsibility and stability.

FISCAL IMPACT:

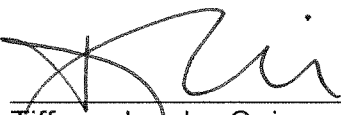
The approval of the amendment to the employment agreement for the City Manager is estimated to have an overall FY 2025 fiscal impact of \$108,000 which includes a one-time cost of \$50,836. This position is budgeted to the General Fund (101), and the City Manager Department's FY 2025 Operating Budget includes appropriations for anticipated wage increases. However, staff will monitor personnel expenses and request additional appropriations during the fiscal year if necessary.

Respectfully Submitted,



VICTOR M. GORDO
Mayor

Prepared by:



Tiffany Jacobs-Quinn
Human Resources Director

Attachments:

Attachment A – Second Amendment to City Manager Employment Agreement