

## MEMORANDUM

TO: Mayor and City Council

FROM: Lauren Sommers, City Attorney

SUBJECT: AMENDMENT TO CITY MANAGER EMPLOYEE AGREEMENT

DATE: December 7, 2016

### Background

On November 28, 2016, the City Council held an executive session pursuant to ORS 192.610(2)(i) to review and evaluate the employment-related performance of the City Manager.

Following the executive session, the City Council, during its regular meeting, authorized the City Attorney to draft an amendment to the City Manager's Employment Agreement to increase the City Manager's annual base salary by 2% due to a change in insurance coverage and another 2% as a cost of living adjustment. With those adjustments the City Manager's new annual base salary will be \$121,596, which is \$10,133 monthly. However, two issues remain outstanding.

First, no discussion took place regarding when those adjustments were set to become effective. Other non-represented employees received 2% retroactive salary increases to account for the change in health insurance coverage as of July 1, 2016. It appears that in prior years, cost of living increases for the City Manager have taken effective as of October 6, his anniversary of hire, or in some cases as of July 1.

Second, no discussion took place regarding a 1% contribution to a deferred compensation account. Other non-represented employees with ten years of service received this contribution on July 1, 2016.

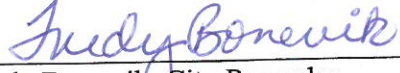
Included in your packet is a proposed amendment to the City Manager's Employment Agreement that would increase his salary by 2% effective July 1, 2016, to account for the change in insurance coverage, and 2% effective October 6, 2016, as a cost of living adjustment. Since neither the timing of the salary increases, nor the 1% deferred compensation contribution were discussed at the November 28, 2016, City Council meeting, Staff is asking for input from the Council on both of those issues. If the Council would like the salary increases to take effect on different dates, the Council can provide that direction and the City Attorney will update the amendment to the City Manager's Employment Agreement. Likewise, if the Council wants to offer the City Manager a 1% deferred compensation contribution, the Council can so direct the City Attorney. If the Council is happy with the effective dates of the salary increases and does not wish to offer the 1% deferred compensation contribution, no further action is needed. Once the Council has given direction to the City Attorney, the City Attorney will

finalize the amendment to the City Manager's Employment Agreement and the City Manager and the Mayor can sign it.

Suggested Motion

I move to direct the City Attorney to update the amendment to the City Manager's Employment Agreement by \_\_\_\_\_ and to authorize the Mayor to sign the updated amendment.

  
\_\_\_\_\_  
Lauren Sommers, City Attorney

  
\_\_\_\_\_  
Trudy Borrevik, City Recorder

**Amendment to the Employment Agreement between  
the City of Cottage Grove and Richard L. Meyers**

THIS AMENDMENT, made and entered into this \_\_\_\_ day of December, 2016, by and between the City of Cottage Grove, Lane County, Oregon, hereinafter called "City" and Richard L. Meyers, hereinafter called "Employee".

WITNESSETH:

WHEREAS, the City and Employee have an employment agreement (Employment Agreement) dated February 8, 1999, amended February 15, 2005, November 8, 2010, December 10, 2012, and November 9, 2015; and

WHEREAS, it is the desire of the governing board, hereinafter called "Council" to amend certain benefits of said Employee; and

WHEREAS, it is the desire of the Council to increase Employee's salary by 2% to offset a change in insurance and to give Employee a 2% cost of living adjustment.

WHEREAS, Employee accepts the amendments proposed to the Employment Agreement with the City.

NOW, THEREFORE the parties agree as follows:

1. Effective July 1, 2016, Employee will receive a 2% salary increase to offset a change in Employee's health insurance coverage.
2. Effective October 6, 2016, Employee will receive an additional 2% salary increase as a cost of living adjustment.
3. As a result of the changes made to Employee's salary by sections 1 and 2 of this Amendment, Section 5.A of Employee's Employment Agreement will read as follows

**Section 5. Salary**

A. City agree to pay for Employee's services rendered pursuant hereto an annual base salary of \$121,596 payable in installments as the same time as other management employees of the City are paid.

IN WITNESS WHEREOF, the City of Cottage Grove has caused this agreement to be signed and executed in its behalf by its Mayor, and duly attested by its City Recorder, and Employee has signed and executed this agreement, both in duplicates, this \_\_\_\_ day of December 2016.

\_\_\_\_\_  
Thomas C. Munroe, Mayor

ATTEST:

\_\_\_\_\_  
Trudy Borrevik, City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Richard Meyers, City Manager