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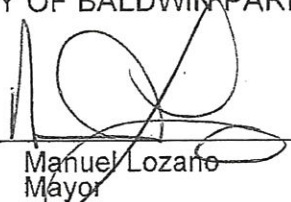
Section 4. Termination and Severance Pay

- 1. In the event Employee is not in breach of this Agreement, and is terminated by the City Council for reasons other than malfeasance in office, the City shall pay employee a severance payment equal to six (6) months of actual pay **IF AND ONLY IF EMPLOYEE SIGNS A COMPLETE WAIVER INCLUDING, BUT NOT LIMITED TO A CIVIL CODE SECTION 1542 WAIVER, RELEASING THE CITY OF ALL LIABILITY TO EMPLOYEE.** In the event Employee is terminated because of malfeasance in office, including, but not limited to, his conviction of any illegal act involving moral turpitude or personal gain to him, City shall have no obligation to provide any severance pay as described herein and may terminate Employee immediately without any severance pay.

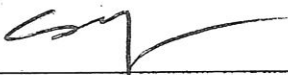
Section 5. General Provisions

- 1. The text herein shall constitute the entire Agreement between the parties.
- 2. This Agreement shall be effective as of July 21, 2014, or such later date, as Employee shall have successfully completed a background check.
- 3. This Agreement shall only be modified in writing signed by the Mayor of Baldwin Park.

CITY OF BALDWIN PARK

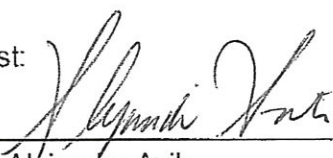
By 
Manuel Lozano
Mayor

Date 7/14/2014

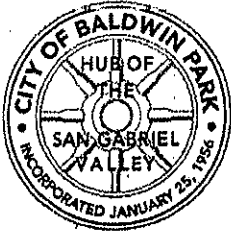
By 
Shannon Yauchzee
Chief Executive Officer

Date 7/16/2014

Attest:


Alejandra Avila
Baldwin Park City Clerk

STAFF REPORT



TO: Honorable Mayor and City Councilmembers

FROM: Laura Thomas, Human Resources/Risk Manager
Robert N. Tafoya, City Attorney

DATE: April 4, 2018

SUBJECT: APPROVAL OF AN AMENDMENT TO THE EMPLOYMENT AGREEMENT WITH MANUEL CARRILLO JR. DIRECTOR OF RECREATION AND COMMUNITY SERVICES AND APPROVE RESOLUTIONS TO UPDATE THE PAY SCHEDULE REFLECTING SALARY AND BENEFIT ADJUSTMENTS FOR THE CHIEF EXECUTIVE OFFICER (CEO) AND THE DIRECTOR OF RECREATION AND COMMUNITY SERVICES IN ACCORDANCE WITH CALPERS ESTABLISHED GUIDELINES

SUMMARY

In February and March 2018, the City Council considered the past performance of the Chief Executive Officer (CEO) and the Director of Recreation and Community Services (DRCS).

FISCAL IMPACT

The annual salary plus benefits can be absorbed by the current annual fiscal budget.

RECOMMENDATION

It is recommended that the City Council approve and adopt:

- 1) The Amended Agreement with Manuel Carrillo Jr., Director of Recreation and Community Services (DRCS) effective September 1, 2017; and
- 2) Resolution No. 2018-242, updating the comprehensive City of Baldwin Park Pay Schedule to reflect salary adjustments effective January 1, 2018, in accordance with approved Memorandum of Understandings, respectively, amended benefit matrices and State mandated wage adjustments; and
- 3) Resolution No. 2018-243, updating the comprehensive City of Baldwin Park Pay Schedule to reflect salary adjustments effective January 14, 2018, in accordance with approved Memorandum of Understandings, respectively, amended benefit matrices and State mandated wage adjustments and
- 4) Resolution No. 2018-244, updating the comprehensive City of Baldwin Park Pay Schedule to reflect a five step compensation plan effective March 25, 2018, in accordance with approved Memorandum of Understandings, respectively, amended benefit matrices and State mandated wage adjustments; and

- 5) Resolution No. 2018-245, updating the comprehensive City of Baldwin Park Pay Schedule to reflect salary adjustments retroactive to December 1, 2017, in accordance with approved Memorandum of Understandings, respectively, amended benefit matrices and State mandated wage adjustments; and
- 6) Resolution No. 2018-246, updating the comprehensive City of Baldwin Park Pay Schedule to reflect salary adjustments retroactive to October 4, 2017, in accordance with approved Memorandum of Understandings, respectively, amended benefit matrices and State mandated wage adjustments; and
- 7) Resolution No. 2018-247, updating the comprehensive City of Baldwin Park Pay Schedule to reflect salary adjustments retroactive to September 1, 2017, in accordance with approved Memorandum of Understandings, respectively, amended benefit matrices and State mandated wage adjustments and
- 8) Authorize the Finance Director to complete budget amendments and appropriations.

BACKGROUND

The DRCS has not received an evaluation by the City Council Since 2008, so this evaluation covers a period of 10 years. In recognition of the employee's commitment, service, and exceptional performance, the salary of the DRCS will be increased by 10% effective the first full pay period on or after September 1, 2017. In addition, since the employee has a number of years of service with the City the employee has lost vacation time due to the vacation accrual cap. The contract amendment will remove the vacation cap for the DRCS. Moreover, since the DRCS is an "At Will" employee and consistent with the City's practice, the agreement is amended such that should the employee be terminated without cause, prior to receipt of any severance pay, the employee must sign a waiver of any future claims against the City.

The evaluation of the CEO will cover a period of two years. In recognition of the employee's exceptional commitment, service and performance, the salary of the CEO will be increased 4% for each year for a total of 8%, effective the first full pay period on or after January 14, 2018.

Per CalPERS regulations, any changes to one or more pay rates require a Resolution be presented to City Council for review and approval of such updates. These CalPERS requirements are intended to enhance the disclosure and transparency of public employee compensation by requiring that the pay rates be listed on a single pay schedule or single document.

LEGAL REVIEW

The City Attorney has reviewed the report and attachments.

ALTERNATIVES

The City Council may choose to go back into closed session for additional discussions.

ATTACHMENTS

- #1 Attached DRCS Amended Agreement effective September 1, 2017
- #2 Resolution No. 2018-242 with attached Comprehensive Pay Schedule effective January 1, 2018
- #3 Resolution No. 2018-243 with attached Comprehensive Pay Schedule effective January 14, 2018
- #4 Resolution No. 2018-244 with attached Comprehensive Pay Schedule effective March 25, 2018
- #5 Resolution No. 2018-245 with attached Comprehensive Pay Schedule effective December 1, 2017
- #6 Resolution No. 2018-246 with attached Comprehensive Pay Schedule effective October 4, 2017
- #7 Resolution No. 2018-247 with attached Comprehensive Pay Schedule effective September 1, 2017

AGREEMENT

THIS AGREEMENT is made and entered into on August 17, 2016 by and between the City of Baldwin Park, a general law city (hereinafter "City") and Shannon Yauchzee, an individual (hereinafter "Employee") and amends the previous contract dated July 16, 2014.

Section 1. Duties

1. City agrees to employ Employee as the Chief Executive Officer with the responsibility of managing, directing and monitoring the proper administration of the City pursuant to the powers and duties outlined in Sections 31.01 et seq. of the Baldwin Park City Code, hereinafter referred to as the "Code".
2. In addition to the duties defined under the Code, the Employee as the Chief Executive Officer also shall serve as the Executive Director of the Baldwin Park Successor Agency to the Community Development Commission, the Executive Director of the Baldwin Park Housing Authority and the Baldwin Park Finance Authority, hereinafter collectively referred to as the "Other Agencies."
3. The Employee shall perform other related and necessary duties as required by law and designated by the City Council or the governing boards of the Other Agencies (collectively, the "Governing Boards").
4. The City Council and Chief Executive Officer shall mutually establish performance goals and objectives to be met by the Chief Executive Officer for each year of this agreement. Said objectives shall be established as part of the evaluation process. The City agrees to conduct a performance evaluation after one year from the date of this Agreement, and also upon each annual anniversary date of this Agreement.
5. The Chief Executive Officer hereby agrees to perform faithfully and to the best of his abilities all the duties pertaining to said office as may be required by the laws of the City of Baldwin Park and the State of California relating to municipal corporations, and the rules and regulations of the City of Baldwin Park, which are now in force or which may be put in force during the term herein stated, and further shall perform such other tasks and duties as may be designated by the City Council or the Governing Boards, and that the parties hereto agree that said position as Chief Executive Officer shall be deemed and construed to be a full-time position.

Section 2. Terms of Employment

1. The term of employment shall commence July 21, 2014, and shall continue unless terminated as set forth in this Agreement.
2. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City to terminate the service of the Employee as an "AT-WILL" Employee, provided, however, that, in the event Employee is not in breach of this Agreement and is terminated by the City Council for reasons other than malfeasance in office, Employee shall be entitled to the rights set forth in Section 4 of this Agreement.
3. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his or her position with the City.

Section 3. Compensation/Benefits

1. City agrees to pay as salary to the Employee during the period he is serving as the Chief Executive Officer a base annual salary of \$218,780.00 per year effective retroactive to the date of August 3, 2016. Said salary may be modified from time to time by a written amendment to this Agreement, and/or an amended salary resolution approved and adopted by the City Council, based upon the performance evaluation conducted pursuant to Paragraph 4 of Section 1, above. The evaluation shall be conducted in accordance with specific criteria jointly developed and finalized by the City and Employee, and shall be used in determining whether there should be an increase in salary.
2. The City shall provide to Employee all fringe benefits as are now, or as may hereafter be given to all department heads of City. The present benefits are detailed in Attachment "A" attached hereto, entitled "Executive Employee Benefit Matrix". In addition, the City shall provide the following benefits:
 - a. The City shall credit one hundred twenty (120) hours of vacation to the Employee's vacation accrual account upon the first day of Employee's employment. Employee shall begin accruing vacation time in accordance with Attachment "A", Vacation Step "b" which states that Employee will accrue vacation time at a rate of 4.6154 hours biweekly.
 - b. The City shall credit ninety-six (96) hours of sick leave to the Employee's sick leave accrual account upon the first day of Employee's employment.
 - c. The City shall credit Employee with one hundred (100) hours of administrative leave with pay upon the first day of Employee's employment. For each year of employment, Employee shall be credited with such number of additional hours of administrative leave above those provided in the Executive Employee Benefit Matrix so as to result in a total of one hundred (100) hours of administrative leave with pay in each year.

- d. The vacation, executive leave, and administrative leave hours provided in this section upon employment shall not be subject to the accrual or cash-out restrictions established in the Executive Employee Benefit Matrix.
- e. Upon the first day of employment, and on every July 21st thereafter, the City agrees to provide Employee with one hundred (100) hours of executive leave, in addition to any other leave time provided by the Agreement.
- f. Affective the date of this agreement and as soon as practical the City shall pass a resolution to set up a Post-Employment Health Plan (PEHP) also known as a Retirement Health Savings Plan. All contributions to such plan will be made by the Employee and no contributions will be made by The City.

Section 4. Termination and Severance Pay

1. In the event Employee is not in breach of this Agreement, and is terminated by the City Council for reasons other than malfeasance in office, the City shall pay employee a severance payment equal to six (6) months of actual pay if and only if employee signs a complete waiver including, but not limited to a Civil Code Section 1542 Waiver, releasing the City of all liability to employee. In the event Employee is terminated because of malfeasance in office, including, but not limited to, his conviction of any illegal act involving moral turpitude or personal gain to him, City shall have no obligation to provide any severance pay as described herein and may terminate Employee immediately without any severance pay.

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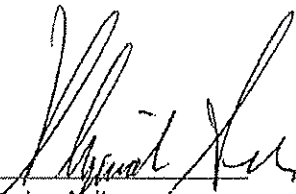
CITY OF BALDWIN PARK

By 
Manuel Lozano
Mayor of Baldwin Park

Date 8/17/16

By 
Shannon Yauchzee
Chief Executive Officer

Date 8-11-16

ATTEST: 
Alejandra Avila
Baldwin Park City Clerk