



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL
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CITY COUNCIL STAFF REPORT

Meeting: August 18, 2020

Subject

Approve the Second Amendment to Employment Agreement for City Manager, related budget modifications, and revised Appointed Employees' Compensation Program.

Recommended Action

1. Adopt Draft Resolution No. 20-____ approving the Second Amendment to Employment Agreement for City Manager and authorizing the Mayor to execute the Amendment.
2. Approve the revised Appointed Employees' Compensation Program and authorizing the Mayor to execute the Program.
3. Approve Budget Modification No. 2021-090 increasing General Fund appropriations by \$49,695 in Fiscal Year 2020-2021.

Background

On April 17, 2019, the City and City Manager Deborah Feng entered the Employment Agreement for City Manager ("Agreement"). Ms. Feng began her employment under the Agreement on June 3, 2019. In December 2019 a six-month performance evaluation was completed by City Council and the first amendment to the employment contract was entered into on February 5, 2020.

On July 14, 2020, the City Council conducted its one-year review of the City Manager under Section 2.03, Performance Evaluation Procedures, of the Agreement. Under Section 3.01, Compensation of the Agreement, the City Council desires to pay the City Manager:

- An annual base salary of \$275,000 retroactive to June 3, 2020,
- A one-time deferred compensation payment of fifteen thousand dollars (\$15,000) to be paid in bi-weekly installments of five hundred seventy-six dollars and 92 cents (\$576.92) retroactive to June 3, 2020; and
- An automobile allowance of three-hundred fifty dollars (\$350) per month retroactive to June 3, 2020.

All other terms and conditions of the Agreement shall be unchanged and in full force and effect.

The Second Amendment to the Agreement is submitted for Council approval with an effective date of June 3, 2020. The Agreement will be reevaluated in June of 2021, per Section 2.03, Performance Evaluation Procedures.

The Appointed Employees' Compensation Program has been revised to update language such as eliminating references to the former City Attorney classification, updating the Auto Allowance policy consistent with the Second Amendment to the Agreement, and adding information regarding the City Manager's participation in the California State Disability Insurance (SDI) and Long Term Disability benefits. Non-substantive changes include verbiage edits and/or updates and revised dates.

Fiscal Impact

The Second Amendment to the Agreement will result in an increase in appropriations of \$49,695 for FY 20-21.

Prepared by: Vanessa Guerra, Human Resources Manager

Approved for Submission by: Kristina Alfaro, Director of Administrative Services

Attachments:

- A - Draft Resolution approving the Second Amendment to the Employment Agreement
- B - Second Amendment to the Employment Agreement
- C - Revised Appointed Employees' Compensation Program (redline)
- D - Revised Appointed Employees' Compensation Program (clean)