INDIAN WELLS CITY COUNCIL July 18, 2024



To: City Council

From: Human Resources Department

Prepared by: Peter Castro, Assistant City Manager

Subject: Amendment to Employment Agreement for City Manager

RECOMMENDED ACTIONS:

Council **APPROVES** Sixth Amendment to the Employment Agreement for City Manager Christopher Freeland; and

FINDS the action exempt from CEQA review under CEQA Guidelines section 15061(b)(3).

DISCUSSION:

On May 2, 2019, the City Council entered into an Employment Agreement Chris Freeland to serve as City Manager, effective May 13, 2019. The Council adopted the First Amendment to the Employment Agreement on June 4, 2020, a Second Amendment on December 17, 2020, a Third Amendment on December 16, 2021, a Fourth Amendment on November 3, 2022, and a Fifth Amendment on September 9, 2023 (Attachment # 1).

Annually, the City Council evaluates the City Manager's performance and determines if any changes to salary and benefits are merited. The Council met individually with the City Manager to review his performance over the past year. The consensus is that the City Manager has done an excellent job managing the City's day-to-day operations.

The Council Personnel Committee consisting of the Mayor Sanders and the Mayor Pro Tem Whitman are recommending that the Council approve the Sixth Amendment to Employment Agreement for City Manager. The terms of the Amendment to the Employment Agreement are as follows:

Education Incentive:

 Additional 5% compensation to base salary for obtaining a Master's Degree from an accredited university, effective July 1, 2024

- An additional 5% to the base salary with a Master's Degree for obtaining a Doctorate Degree from an accredited university, effective when the degree is obtained, but no sooner than January 1, 2025.
- One-Time Vacation Bank of 120 hours.
- Additional language that attendance at Senior Executive Leadership Programs (e.g. Harvard's Senior Executive in State and Local Government Program or Local Government Institute at Stanford) are also professional development programs the City Manager may participate at the City's expense.

The agreement's terms and base salary have not changed. The Employment Agreement will expire on December 31, 2029.

FISCAL IMPACT:

The financial implications of the Sixth Amendment to the Employment Agreement are delineated as follows: Education Incentive - \$21,375 and Vacation Bank - \$16,441. These expenses are allocated across the City's General Fund, Fire Services Fund, Golf Resort Fund, and the Housing Authority Fund. The specific costs borne by each fund are as follows: General Fund - \$28,362; Fire Services Fund - \$1,890; Golf Resort Fund - \$3,782; and Housing Authority Fund - \$3,782.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The action is not a project within the meaning of Section 15378 of the State of California Environmental Quality Act ("CEQA") Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly; and that the action is nonetheless exempt from the requirements of CEQA in that the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. (15061(b)(3).)

ATTACHMENTS:

- 1. Agreement & Amendments
- 2. Sixth Amendment