



To: Honorable City Council

From: City Attorney

Date: October 6, 2015

Subject: CONSIDERATION OF APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT

Background

On August 4, 2015, the City Council unanimously voted to appoint Assistant City Manager John Moreno to fill the permanent position of City Manager held by Linda Benedetti-Leal and to be effective on October 9, 2015.

Discussion

On August 4, 2015, the City Council unanimously voted to appoint Assistant City Manager John Moreno to fill the permanent position of City Manager held by Linda Benedetti-Leal and to be effective on October 9, 2015. At that meeting, the City Council directed the City Attorney's office to prepare a City Manager Employment Agreement to be presented to the City Council for consideration.

The proposed City Manager Employment Agreement contains all the standard provisions that were part of the Agreement with Linda Benedetti-Leal with the exception of the following provisions which the Council wanted to be included:

1. The annual compensation is to be \$190,000, and
2. The City Manager evaluation would be completed within six (6) months from October 9, 2015 with a subsequent evaluation six (6) months later and annual evaluations thereafter.

Recommended Action

It is recommended that the City Council approved the proposed City Manager Employment Agreement between the City of Paramount and John Moreno.

CITY MANAGER EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into to be effective on the 9th day of October, 2015, by and between the CITY OF PARAMOUNT, a municipal corporation (hereinafter referred to as "City"), and JOHN MORENO an individual (hereinafter referred to as "Manager").

RECITALS

1. In order for City to insure that its responsibilities for the health, welfare and safety of the public are met at all times, City must attract and retain in its employment the management personnel who exhibit the highest degree of knowledge, experience, technical ability, professionalism, and qualities of leadership necessary to meet City objectives; and
2. In order to attract and retain in its employment employees exhibiting the qualities and experience necessary to fulfill the long-term City objectives, the City Council has determined that it is advisable to enter into this City Manager Employment Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed by and between City and Manager as follows:

1. Term of Agreement. City hereby employs Manager and Manager hereby accepts employment with City beginning on **October 9, 2015** and continuing until Manager or City (acting through the City Council) terminates this Agreement. Except for misconduct by Manager, City shall not terminate this Agreement either ninety (90) days prior to or within ninety (90) days after a General or Special City Election. Misconduct is an act which shall mean only any of the following:

- (1) Conviction of or a plea of nolo contendere to any felony;
- (2) Conviction of or a plea of nolo contendere to a misdemeanor arising directly out of Manager's duties pursuant to this agreement;
- (3) A pattern of repeated, willful and unintentional failure to neglect to carry out the policy decisions of the City Council;
- (4) Willful abandonment of duties.

It is not intended by either the City or Manager that occasional and unintentional lapses in performance by Manager constitute grounds for termination for misconduct. If the City terminates (for reasons other than misconduct) within the time periods described above, Manager's exclusive relief for City's breach of this covenant is to be paid nine (9) months salary, accumulated leave, and paid medical, dental and vision benefits for the time period remaining within the ninety (90) days prior to or after a General or Special City Election.

2. General Duties. Manager shall serve as the City Manager of the City. In that capacity Manager shall perform each and every duty prescribed by law pertaining to the position of City Manager of the City of Paramount or prescribed by the City Council and all services, acts, or things necessary or advisable to manage and conduct the business and affairs of the City, subject at all times to the policies set by the City Council and to the consent of the City Council when required by the terms of this Agreement.

3. Devotion to City's Business.

A. Manager is an exempt employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the City Manager position. Manager does not have set hours of work and is expected to be available at all times.

B. It is recognized that Manager must devote a great deal of time to the business of the City outside of the City's customary office hours, and to that end, his schedule of work each day and week shall vary in accordance with the work required to be performed. Manager shall spend sufficient hours on site to perform the Manager's duties; however, Manager has discretion over his work schedule and work location.

C. Manager shall not engage in any other business, duties or pursuits whatsoever, or directly or indirectly render any service of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of the City Council. However, the expenditure of reasonable amounts of time for educational, charitable, or professional activities shall not be deemed a breach of this Agreement if those activities do not materially interfere with the services required under this Agreement, and shall not require the prior written consent of the City Council.

D. This Agreement shall not be interpreted to prohibit Manager from making passive personal investments or conducting private business affairs, if those activities are not deemed to be a conflict of interest by state law, or materially interfere with the services require under this Agreement.

4. Compensation.

A. Salary. City agrees to pay Manager for his services rendered pursuant to this Agreement hereto an annual base salary, which salary shall be \$190,000.00.

B. Deferred Compensation. City shall contribute an amount equal to eight percent (8%) of the salary of City Manager to the Deferred Compensation Plan adopted by City.

C. Other Employee Benefits. City shall provide Manager with all other benefits provided to all other employees, including, but not limited to, City paid medical, dental, and vision benefits (for Manager and dependents), Long Term Disability (LTD), and vacation and sick leave benefits, without deduction from his compensation herein in the same amounts as are presently provided by the City. For three consecutive fiscal years, beginning Fiscal Year 2015, Manager may elect to have City pay to Manager up to three weeks of accrued vacation time annually.

D. Retirement. City shall provide and maintain Manager as a member of the Public Employees Retirement System and shall make, in his behalf, all payments that represent both the City and Manager's required contributions as a member of the City of Paramount Public Employees' Retirement System.

E. City Automobile. City shall provide Manager with a vehicle allowance in the amount of \$600.00 per month.

F. Professional Organizations. The City agrees to pay all the required dues and fees for professional organizations that benefit Manager in his capacity as City Manager and contribute to his professional standing, subject to prior approval of the City Council.

G. Other Expenses. The City agrees to pay for City related expenses of Manager that are reasonably and necessarily incurred in connection with his duties as City Manager, in accordance with established policy of the City.

5. Performance Evaluation. The Manager shall receive an initial performance evaluation within six (6) months of the date of this Agreement; within six (6) months after the initial performance evaluation and at least annually thereafter.

6. Tax Withholding. City shall have the obligation to deduct or withhold from the compensation due to Manager hereunder any and all sums required for federal income and other payroll taxes and all state or local taxes now applicable or that may be enacted and become applicable in the future.

7. Termination by City. Except when City's termination of this Agreement is based on Manager misconduct, in the event of a termination by City that does not fall within the scope of Section 1 of the Agreement, Manager shall be entitled to and shall receive nine (9) months' salary, accumulated leave, vacation and sick leave and a continuation of City paid medical, dental and vision benefits for nine (9) months.

8. Termination by Manager. Manager may terminate this Agreement by giving City at least thirty (30) days written notice. Manager shall not be entitled to any additional compensation in the event of such termination.

9. Notices. Any notices to be given hereunder by either party to the other shall be in writing and may be transmitted by personal delivery or by mail, registered or certified, postage prepaid, with return receipt requested. Mailed notices shall be addressed to the parties at the addresses maintained in the personnel records of City, but each party may change that address by written notice in accordance with this section. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of the date of mailing.

10. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Manager by City and contains all of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this Employment Agreement acknowledges that no representation, inducement, promise, or agreement, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding on either party.

11. Modifications. Any modification of this Agreement will be effective only if it is in writing and signed by the parties.

12. Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

13. Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in anyway.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, in force and effect as of the date of execution.


Executed this 6th day of October, 2015 at Paramount, California.

SIGNATURE PAGE TO FOLLOW

"City"

CITY OF PARAMOUNT,
a municipal corporation

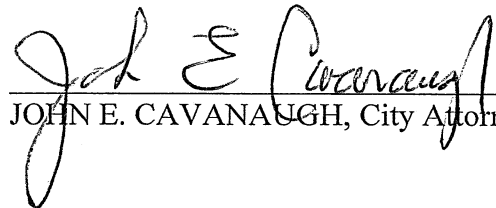
By:


TOM HANSEN, Mayor

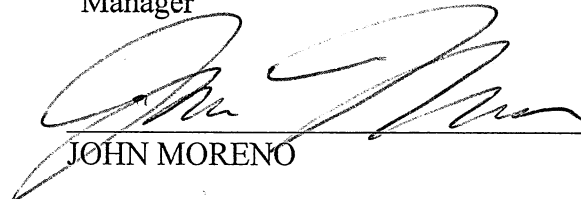
ATTEST:


LANA CHIKAMI, City Clerk

APPROVED AS TO FORM:


JOHN E. CAVANAUGH, City Attorney

"Manager"


JOHN MORENO



To: Honorable City Council

From: John E Cavanaugh, City Attorney

By:

Date: April 19, 2016

Subject: CONSIDERATION OF APPROVAL OF FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

Background

On October 9, 2015, the City Council unanimously voted to appoint Assistant City Manager, John Moreno to fill the permanent position of City Manager to be effective on October 9, 2015.

Discussion

On October 9, 2015, the City Council unanimously voted to appoint Assistant City Manager, John Moreno to fill the permanent position of City Manager. Pursuant to the terms of the approved City Manager Employment Agreement, a City Manager evaluation would be completed within six (6) months from October 9, 2015 with a subsequent evaluation six (6) months later and annual evaluations thereafter.

On April 5, 2016, the City Council conducted the requisite six (6) month evaluation of the City Manager and unanimously approved an increase in the City Manager's annual compensation from \$190,000.00 to \$206,000.00 effective April 1, 2016. The City Council directed the City Attorney's office to bring back an amendment to the City Manager Employment Agreement for the April 19, 2016 City Council meeting for approval.

All other provisions of the City Manager Employment Agreement remain unchanged.

Recommended Action

It is recommended that the City Council approve the First Amendment to City Manager Employment Agreement between the City of Paramount and John Moreno.

FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT (the "Agreement") is made at Paramount, California on the 19th day of April, 2016, by and between the City of Paramount, a municipal corporation ("City"), and John Moreno, an individual, ("Manager").

RECITALS

Whereas, City and Manager entered into a City Manager Employment Agreement ("Agreement") beginning October 9, 2015 and continuing thereafter subject to the terms of the Agreement; and

Whereas, City and Manager desire to amend Section 4. Compensation of the Agreement to reflect an increase in Manager's compensation which Manager has agreed to accept.


NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, it is hereby agreed by and between City and Manager as follows:


1. Section 4. Compensation

A. Salary. City agrees to pay Manager for his services rendered pursuant to this Agreement hereto an annual base salary, which salary shall be \$206,000.00, effective April 1st, 2016.

2. All other provisions of the Agreement shall remain in full force and effect.

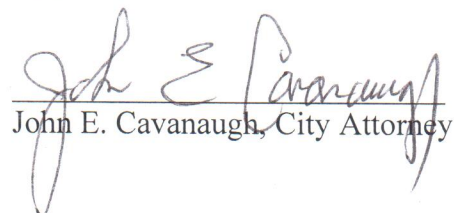
IN WITNESS whereof, the parties have entered into this First Amendment to the Agreement as of the year and day first written above.



Daryl Hofmeyer, Mayor
City of Paramount


John Moreno
City Manager

Approved as to Form:

Attest:


John E. Cavanaugh, City Attorney


Lana Chikami, City Clerk



To: Honorable City Council

From: City Attorney

Date: April 4, 2017

Subject: CONSIDERATION OF APPROVAL OF SECOND AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

Background

At the March 21, 2017 City Council meeting, the City Council unanimously voted to amend the City Manager's Employment Agreement to authorize the Manager's election to have City pay to Manager up to three weeks of accrued vacation time annually beginning Fiscal Year 2017 and every year thereafter. The City Council directed that a formal amendment to this Agreement be brought back for ratification.

Discussion

Pursuant to the Section 4.C. Other Employee Benefits, of City Manager's Employment Agreement approved on October 9, 2015, the City Manager was authorized, for three consecutive fiscal years, beginning Fiscal Year 2015, to elect to have City pay to Manager up to three weeks of accrued vacation time annually. The City Council approved this amendment which would authorize the Manager's election to have City pay to Manager accrued vacation time annually beginning Fiscal Year 2017 and every year thereafter.

All other provisions of the City Manager Employment Agreement remain unchanged.

Recommended Action

It is recommended that the City Council approve the Second Amendment to City Manager Employment Agreement between the City of Paramount and John Moreno.

Attachment: Second Amendment to City Manager Employment Agreement.

SECOND AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

THIS SECOND AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT (the "Agreement") is made at Paramount, California on the 4th day of April, 2017, by and between the City of Paramount, a municipal corporation ("City"), and John Moreno, an individual, ("Manager").

RECITALS

1. City and Manager entered into a City Manager Employment Agreement ("Agreement") beginning October 9, 2015 and continuing thereafter subject to the terms of the Agreement; and

2. City and Manager desire to amend Section 4.C. *Other Employee Benefits* to reflect an extension in the term of the payment of accrued vacation ("Amendment").

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed by and between City and Manager to amend the Agreement as follows:

1. "Section 4.C. Other Employee Benefits. City shall provide Manager with all other benefits provided to all other employees, including, but not limited to, City paid medical, dental, and vision benefits (for Manager and dependents), Long Term Disability (LTD), and vacation and sick leave benefits, without deduction from his compensation herein in the same amounts as are presently provided by the City. Beginning Fiscal Year 2017 and every year thereafter, Manager may elect to have City pay to Manager up to three weeks of accrued vacation time annually."

2. Except as expressly provided herein under this Amendment, all other provisions of the Agreement shall remain in full force and effect.

Executed this 4th day of April, 2017 at Paramount, California.

"City"

CITY OF PARAMOUNT,
a municipal corporation

By: 

Mayor

"Manager"



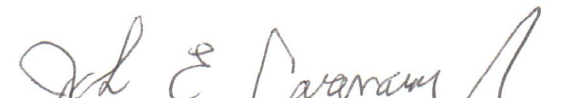
JOHN MORENO

ATTEST:



LANA CHIKAMI, City Clerk

APPROVED AS TO FORM:



JOHN E. CAVANAUGH, City Attorney



To: Honorable City Council
From: John E. Cavanaugh, City Attorney
By:
Date: January 22, 2019

Subject: CONSIDERATION OF APPROVAL OF THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

BACKGROUND

At the January 8, 2019 City Council meeting, the City Council unanimously voted to amend the City Manager's Employment Agreement. The City Council directed that a formal amendment to this Agreement be brought back for ratification.

DISCUSSION

The City Council authorized amending the City Manager's Employment Agreement as follows:

1. Approving a 5% COLA increase to the City Manager's base salary.
2. Approving to increase severance pay from 9 months to 12 months.
3. Adding clarification language to Section 3. A which requires the City Manager to be available at all times. Qualifying language is added which excuses availability when the City Manager is on leave as a result of a scheduled vacation or an extended illness.
4. Amending language which conforms to the current practice by the City Manager to pay 15% of the cost of his medical premiums as required under the City's current Personnel Resolution.

All other provisions of the City Manager Employment Agreement remain unchanged.

RECOMMENDED ACTION

It is recommended that the City Council approve the Third Amendment to City Manager Employment Agreement between the City of Paramount and John Moreno.

THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

THIS THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT (the "Agreement") is made at Paramount, California on the 22nd day of January 2019, by and between the City of Paramount, a municipal corporation ("City"), and John Moreno, an individual, ("Manager").

RECITALS

1. City and Manager entered into a City Manager Employment Agreement ("Agreement") beginning September 9, 2015 and continuing thereafter subject to the terms of the Agreement; and
2. City and Manager entered into a First Amendment to the City Manager Employment Agreement on April 19, 2016; and
3. City and Manager entered into a Second Amendment to the City Manager Employment Agreement on April 4, 2017; and
4. City and Manager desire to amend several sections of the Agreement to reflect an increase in Manager's compensation and to amend other specified provisions relating to Employee benefits which Manager has agreed to accept.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed by and between City and Manager to amend the Agreement as follows:

1. Section 1. Term of Agreement.

The last full sentence is amended to read as follows:

If the City terminates (for reasons other than misconduct) within the time periods described above, Manager's exclusive relief for City's breach of this covenant is to be paid twelve (12) months' salary, accumulated leave, and paid medical, dental and vision benefits for the time period remaining within the ninety (90) days prior to or after a General or Special City Election.

2. Section 3. Devotion to City's Business.

A. Manager is an exempt employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the City Manager position. Manager does not have set hours of work and is expected to be available at all times, except when Manager is on leave as

a result of a scheduled vacation or an extended illness at which time Manager will inform the City Council as to whom is the point of contact. The point of contact will typically be the Assistant City Manager.

3. Section 4. Compensation.

- A. Salary. City agrees to pay Manager for his services rendered pursuant to this Agreement hereto an annual base salary, which salary shall be \$216,300.00, effective January 8, 2019.
- C. Other Employee Benefits. City shall provide Manager with all other benefits provided to all other employees, including, but not limited to, City paid medical, dental, and vision benefits (for Manager and dependents), Long Term Disability (LTD), and vacation and sick leave benefits; provided, however, that Manager shall pay 15% of the cost of his medical premiums as required under the City's current Personnel Resolution, and, as amended.

4. Section 7. Termination by City. Except when City's termination of this Agreement is based on Manager misconduct, in the event of a termination by City that does not fall within the scope of Section 1 of the Agreement, Manager shall be entitled to and shall receive twelve (12) months' salary, accumulated leave, vacation and sick leave and a continuation of City paid medical, dental and vision benefits for twelve (12) months."

Except as expressly provided herein under this Amendment, all other provisions of the Agreement shall remain in full force and effect.

Executed this 22nd day of January 2019 at Paramount, California.

"City"

CITY OF PARAMOUNT,
a municipal corporation

By:


DIANE J. MARTINEZ, Mayor

"Manager"

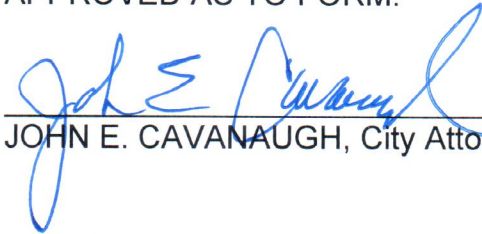

JOHN MORENO

ATTEST:



LANA CHIKAMI, City Clerk

APPROVED AS TO FORM:



JOHN E. CAVANAUGH, City Attorney