



## COUNCIL AGENDA REPORT

DATE: September 13, 2007  
TO: MAYOR AND TOWN COUNCIL  
FROM: RUMI PORTILLO, HUMAN RESOURCES DIRECTOR *Rumi Portillo*  
SUBJECT: ADOPT RESOLUTION AMENDING THE AGREEMENT BETWEEN THE TOWN OF LOS GATOS AND THE TOWN ATTORNEY AND AUTHORIZING THE MAYOR TO SIGN AMENDMENT ON BEHALF OF TOWN

### RECOMMENDATION:

Adopt resolution of the Town Council of the Town of Los Gatos amending agreement between the Town of Los Gatos and the Town Attorney and authorizing the Mayor to sign amendment on behalf of Town.

### DISCUSSION:

The Town Council approved an agreement with the Town Attorney, effective April 7, 1997, which provides for an annual performance evaluation and possible salary adjustments. A review of the Town Attorney's performance has been completed and the following salary adjustment is deemed appropriate:

- The annual base salary shall be increased by 3%, from \$166,147 to \$171,132, effective June 18, 2007; and
- A performance bonus of 2% of base salary is awarded, payable as a lump sum or as a deposit to the employee deferred compensation account.

A recent audit conducted by the Public Employees Retirement System ("PERS") recommended that the Town Attorney's contract specify that any bonus or incentive award be paid for superior performance in accordance with a structured evaluation plan with identified performance goals and objectives. That would ensure that a bonus awarded to the Town Attorney be treated for retirement purposes consistent with bonuses awarded to all other management staff, who may qualify to receive bonuses based on similar language in the Management Compensation Plan. The attached amendment includes the recommended language.

### ENVIRONMENTAL ASSESSMENTS:

Is not a project defined under CEQA, and no further action is required.

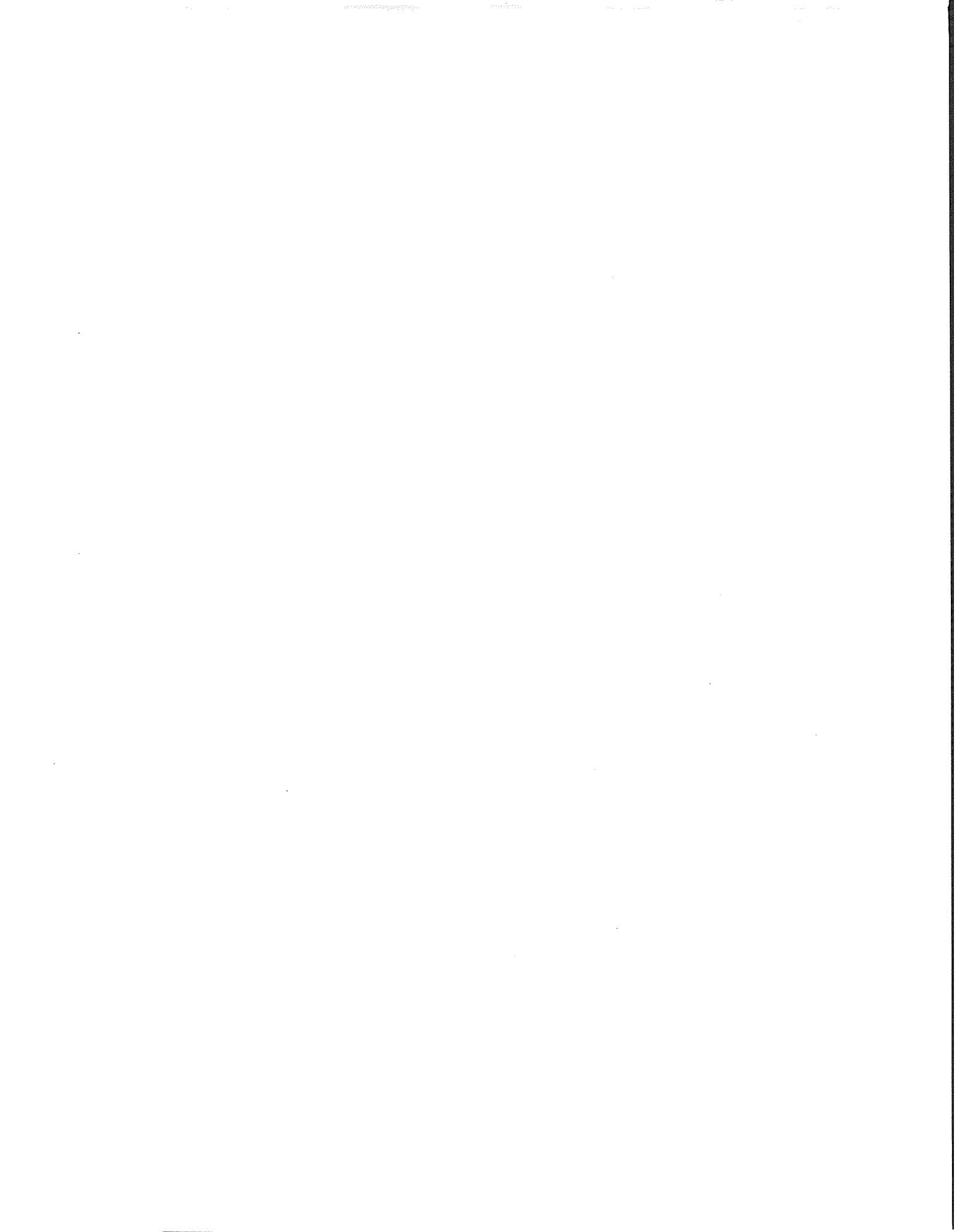
### FISCAL IMPACT:

Funding for an increase in the Town Attorney's compensation is available in the FY 2007-2008 adopted budget.

Attachment: Resolution of the Town Council of the Town of Los Gatos amending agreement between the Town of Los Gatos and the Town Attorney and authorizing the Mayor to sign amendment on behalf of Town

PREPARED BY: Rumi Portillo, Human Resources Director

Reviewed by: PS Interim Town Manager \_\_\_ Clerk Administrator SC Finance \_\_\_ Community Dev



RESOLUTION

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS  
AMENDING AGREEMENT BETWEEN THE TOWN OF LOS GATOS AND TOWN ATTORNEY AND  
AUTHORIZING THE MAYOR TO SIGN AMENDMENT ON BEHALF OF THE TOWN OF LOS GATOS

**WHEREAS**, an Agreement between the Town of Los Gatos and the Town Attorney, Orry Korb, was approved by the Town Council on April 7, 1997; and

**WHEREAS**, the Agreement provides that the Town Council shall evaluate the Attorney's performance annually and may adjust the base salary or provide a one-time, lump sum payment or some combination of both, based upon an assessment of the Attorney's performance; and

**WHEREAS**, after completing a review of the Town Attorney's performance between July 1, 2006 and July 1, 2007, the Town Council has determined the Town Attorney's salary will be increased by 3% from \$166,147 to \$171,132, retroactive to June 18, 2007; and

**WHEREAS**, a recent audit conducted by the Public Employees Retirement System ("PERS") recommended that the Town Attorney's contract specify that any bonus or incentive award be paid for superior performance in accordance with a structured evaluation plan with identified performance goals and objectives.

**RESOLVED**, by the Town Council of the Town of Los Gatos, County of Santa Clara, State of California that the Town of Los Gatos amend the Agreement with the Town Attorney (a copy of which is attached and incorporated herein).

**BE IT FURTHER RESOLVED**, that the Mayor is authorized and hereby directed to execute said Amendment to the Agreement in the name and behalf of the Town of Los Gatos.

**PASSED AND ADOPTED** at a \_\_\_\_\_ meeting of the Town Council of the Town of Los Gatos, California, held on the \_\_\_\_\_ day of \_\_\_\_\_, 2007 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

**SIGNED:**

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA



## AMENDMENT TO THE TOWN ATTORNEY AGREEMENT

This Amendment to Town Agreement AGR \_\_\_\_\_ is entered into this \_\_\_\_ day of September 2007, and is effective as of June 18, 2007, by and between the Town of Los Gatos, a municipal corporation ("Town") and Orry Korb.

### RECITALS:

**WHEREAS**, Town and Orry Korb executed an Agreement approved on April 7, 1997; and

**WHEREAS**, the Town Council evaluated Orry Korb's performance for the period between July 1, 2006 and July 1, 2007, and determined the Town Attorney compensation shall be adjusted.

**WHEREAS**, a recent audit conducted by the Public Employees Retirement System ("PERS") recommended that the Town Attorney's contract specify that any bonus or incentive award be paid for superior performance in accordance with a structure evaluation plan with identified performance goals and objectives to ensure that a bonus awarded to the Town Attorney be treated for retirement purposes consistent with bonuses awarded to all other management staff.

**IT IS THEREFORE AGREED** by the parties as follows:

1. Item 4 of the Agreement is amended to read as follows:
  4. Compensation.
    - (a) Effective June 18, 2007, annual base salary shall be one hundred seventy-one thousand one hundred thirty two dollars (\$171,132) ("Base Salary"), in installments at the same time as other employees of Town are paid; and a performance bonus of two percent of Base Salary is awarded, payable as a lump sum in cash or as a deposit to the employee deferred compensation account.
    - (c) Any bonus or incentive award paid for superior performance shall be awarded in accordance with a structured evaluation plan with identified performance goals and objectives.
2. The terms and conditions of the Agreement, except as herein amended, shall remain in full force and effect.

Amendment to the Town Attorney Contract  
Effective June 18, 2007

**IN WITNESS WHEREOF**, the parties have executed this Amendment to the Town Attorney Agreement on the date written above.

TOWN OF LOS GATOS

BY:

\_\_\_\_\_  
Joe Pirzynski, Mayor

BY:

\_\_\_\_\_  
Orry Korb, Town Attorney