MEETING DATE: 2/2/2009
ITEM NO: 3

# COUNCIL AGENDA REPORT

DATE: January 27, 2009

TO: MAYOR AND TOWN COUNCIL

FROM: RUMI PORTILLO, HUMAN RESOURCES DIRECTOR

SUBJECT: ADOPT RESOLUTION AMENDING THE AGREEMENT BETWEEN THE TOWN OF LOS GATOS AND THE TOWN MANAGER AND AUTHORIZING THE MAYOR TO SIGN THE AMENDMENT

## RECOMMENDATION:

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

## DISCUSSION:

The Town Council approved an agreement with the Town Manager effective January 7, 2008, to set forth the terms and conditions of employment. The agreement specifies that the Town Council shall evaluate the Town Manager's performance annually and may adjust the base salary or provide a one-time, lump sum payment or some combination of both at the sole discretion of Council, based upon its assessment of the Town Manager's performance.

In accordance with the agreement, Council met in closed session to conduct a formal and structured evaluation of the Town Manager's performance covering calendar year 2008. On the basis of that evaluation, Council determined that all performance goals and objectives for the evaluation period were met or exceeded. In recognition of the Town Manager's performance, Council agreed that it is appropriate to award a lump sum performance bonus equal to 3% of the annual salary (approximately $5,910). The performance bonus is paid as a one-time lump-sum and the base annual salary remains the same, with no further changes to the Town Manager's salary or compensation package.

## FISCAL IMPACT:

Funding for an increase in the Town Manager's compensation is available in the FY 2008-2009 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 Manager and authorizing the Mayor to sign the amendment

PREPARED BY: RUMI PORTILLO, Human Resources Director

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Reviewed by: _____ Town Manager RSJ Assistant Town Manager OK Town Attorney
_____ Clerk Administrator OC for SC Finance _____ Community Development

**RESOLUTION 2009 -**

RESOLUTION OF THE TOWN OF LOS GATOS AMENDING THE AGREEMENT BETWEEN THE TOWN OF LOS GATOS AND THE TOWN MANAGER AND AUTHORIZING THE MAYOR TO SIGN THE AMENDMENT

**WHEREAS**, Town and Greg Larson executed an Agreement effective January 7, 2008 to establish the terms and conditions of employment as Town Manager of the Town of Los Gatos;

**WHEREAS**, in January 2009 the Town Council concluded a structured evaluation of Greg Larson's performance for the period January 7, 2008 through January 6, 2009, and determined that all performance goals and objectives were met or exceeded; and

**WHEREAS**, in recognition of the Town Manager's performance, the Town Council desires to amend the employment agreement to award the equivalent of 3% of the Employee's annual base salary as a one-time lump sum performance bonus.

**RESOLVED,** by the Town Council of the Town of Los Gatos, County of Santa Clara, State of California, that the Town Council approves the Amendment to Agreement between the Town of Los Gatos and Greg Larson and that the Mayor is hereby authorized to sign the agreement on behalf of the Town Council.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 2nd day of February, 2009 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:
MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:
CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA