

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION NO. 2020-034

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA
AUTHORIZING THE MAYOR TO EXECUTE A THIRD AMENDMENT TO THE CITY
ADMINISTRATOR AT-WILL EMPLOYMENT AGREEMENT EFFECTIVE JUNE 1, 2020**

WHEREAS, pursuant to Resolution No. 2016-012, the City of Carmel-by-the-Sea ("City") and Chip Rerig executed an Employment Agreement ("Employment Agreement") effective February 2, 2016 to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2017-088, City and Chip Rerig executed a First Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2018-110, City and Chip Rerig executed a Second Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, the functions, duties and perogatives of the City Administrator are specified in the Carmel-by-the-Sea Municipal Code and the provisions of the City Municipal Code shall control should any conflict exist pertaining to either this Resolution or the Third Amendment that it authorizes; and

WHEREAS, the City Administrator shall continue to serve at the pleasure of the City Council; and

WHEREAS, this action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment; and

WHEREAS, since March 2020, the global community, nation, State of California and City of Carmel-by-the-Sea have been gripped by COVID-19, a flu-like virus, that is significantly more contagious and deadly than the flu, and has caused mass illness and death' and.

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency due to COVID-19. Since that time, the Governor and the Monterey County Health Officer have issued numerous Orders requiring residents to shelter in place, and all business except those deemed "essential" to halt any operations that cannot be performed by employees from home. The response to COVID-19, including these Orders, has had a devastating effect on the economy at all levels as well as to the budget of the City of Carmel-by-the-Sea. There are certain efforts underway to begin limited reopening of businesses, but the extent of impact of COVID 19 on the economy and the City's budget to date and for the foreseeable future remains unknown, and

WHEREAS, in an effort to conserve costs for the City, the City Administrator has requested that an amount equal to 10% (ten percent) of his annual base salary for 12 (twelve) months commencing June 1, 2020 through May 31, 2021 be reduced from the City's contribution to the Section 457 deferred compensation program of the City Administrator. The annual base salary of the City Administrator is \$196,650 and 10% (ten percent) thereof is \$19,665.00. The proposed Third Amendment to the Employment Agreement with the City Administrator reflects this reduction in the Section 457 deferred compensation program and the resulting savings to the City of \$19,665.00; and

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize a Third Amendment to the Employment Agreement as follows:

1. An amount equal to 10% (ten percent) of the City Administrator's annual base salary for 12 (twelve) months commencing June 1, 2020 through May 31, 2021 shall be reduced from the City's contribution to the Section 457 deferred compensation program of the City Administrator. The current annual base salary of the City Administrator is \$196,650 and 10% (ten percent) thereof is \$19,665.00.

2 The Mayor is authorized and directed to execute a Third Amendment to the City Administrator At-Will Employment Agreement (Exhibit A) to this Resolution.

3. This Resolution shall take effect immediately following passage and adoption by the Carmel-by-the-Sea City Council.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 2nd day of June, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

Dave Potter
Mayor

Britt Avrit, MMC
City Clerk