



Report to City Council

TO: Mayor and City Council

FROM: Steven B. Quintanilla, City Attorney

AGENDA DATE: January 7, 2025

TITLE: EMPLOYMENT AGREEMENT FOR CITY MANAGER / EXECUTIVE DIRECTOR (REPORT OF: CITY ATTORNEY)

TITLE SUMMARY: EMPLOYMENT AGREEMENT FOR CITY MANAGER / EXECUTIVE DIRECTOR (REPORT OF: CITY ATTORNEY)

Recommendation(s)

That the City Council:

1. After the City Attorney publicly describes the recommended Compensation and Benefits to be included in the Employment Agreement for the City Manager/Executive Director, the City Attorney recommends that a Motion to Approve be made and Seconded, and that the City Council and its Affiliated Boards vote to approve said Compensation and Benefits and direct the City Attorney to finalize the subject Employment Agreement which shall be subject to public review and inspection upon request.

SUMMARY

On December 3, 2024, at a regular City Council meeting, the City Council offered the position of City Manager/Executive Director to Assistant City Manager Brian Mohan subject to successful negotiations over compensation and benefits which will appear on the January 7, 2025, regular City Council meeting agenda.

DISCUSSION

Pursuant to Chapter 2.08 (City Manager) of the Moreno Valley Municipal Code, the primary duties of the City Manager/Executive Director include, but are not limited to, the following:

- Serving as the administrative head of the government of the City under the direction and control of the City Council except as otherwise provided in Chapter 2.08.
- Administering all affairs of the City which are under his or her control.
- Enforcing all laws and ordinances of the City and to see that all franchises, contracts, permits and privileges granted by the City Council are faithfully observed.
- Appointing, removing, promoting and demoting any and all officers and employees of the City except elective officers, the City Attorney, City Clerk and City Treasurer subject to all applicable personnel rules and regulations.
- Controlling, ordering and giving directions to all department heads who are subject to his or her appointment and removal authority, and to subordinate officers and employees of the City under his or her jurisdiction through their department heads.
- Conducting studies and effecting such organization and reorganization of offices, positions or units under his or her direction as may be indicated in the interest of efficient, effective and economical conduct of the City's business.
- Recommending to the City Council for adoption such measures and ordinances as he or she deems necessary.
- Attending all meetings of the City Council unless excused therefrom by the Mayor individually or the City Council as a whole, except when his or her removal is under consideration.
- Preparing and submitting the proposed annual budget and the proposed annual salary plan to the City Council for its approval.
- Directing and supervising all the purchasing activities of the City.
- Keeping the City Council at all times fully advised as to the financial condition and needs of the City.
- Making investigations into the affairs of the City and any department or division thereof and any contract or the proper performance of any of the obligations of the City.
- Investigating all complaints in relation to matters concerning the administration of the City and in regard to the service maintained by public utilities in the City.
- Exercising general supervision over all public buildings, public parks and all other public properties which are under the control and jurisdiction of the City Council.
- Having the same authority as the Mayor (as conveniences to the parties may dictate) to sign documents specified in Section 40602 of the Government Code whenever such documents have been approved by the City Council for execution by resolution, motion, minute order or other appropriate action.
- Performing such other responsibilities and exercise such other powers as may be delegated to him or her from time to time by ordinance or resolution or other official action of the City Council.

The benefits generally applicable to the City Manager/Executive Director position include the following:

- Medical coverage via CalPERS.
- Dental coverage via either an HMO or PPO plan.
- Vision coverage via Vision Service Plan which the City contracts with for a comprehensive vision plan for City employees.
- Retirement benefits under CalPERS dependent on time of hire.
- Basic Life Insurance that amounts to three-times the employee's annual salary with Supplemental Life Insurance available for purchase by the employee.
- Longevity pay which is dependent upon the Employee's number of years of service.
- Education Incentive Pay based on type of degree the Employee is pursuing.
- Auto Allowance of \$500 per month.
- Wellness Incentive at \$350 per year.
- Holidays which include 13 observed holidays plus two personal floating holidays.
- Other Benefits include 457 Deferred Compensation Plans, Tuition Reimbursement, Short-and Long-term Disability, Employee Assistance Program and Bilingual Pay.

On January 7, 2025, the City Council plans to meet in closed session, in the context of a regular meeting of the City Council, pursuant to Government Code Section 54957.6(a) to discuss and negotiate the terms and conditions related to any remaining compensation and benefits, term of the Employment Agreement, and severance provisions, for the City Manager/Executive Director position, which may only be subsequently approved in the context of an open session as a General Business Item, if the City Council and the appointed City Manager/Executive Director consent to the negotiated terms and conditions.

In summary, once the City Council and the appointed City Manager/Executive Director reach a consensus on the annual salary, term of the Employment Agreement and severance provisions, and deems the remaining terms and conditions acceptable, the final terms and conditions of the subject Employment Agreement must be subsequently presented in open session for formal approval by the City Council.

Moreover, section 54953 (c)(3) of the Government Code provides that prior to taking final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits to a local agency executive, which includes the subject position, the legislative body (City Council) shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, during the open meeting in which the final action is to be taken. This means that the oral report regarding the recommendation regarding the terms and conditions related to the compensation and benefits should be made prior to a motion to approve the final terms and conditions of the final Employment Agreement.

ALTERNATIVES

1. Do not approve the recommended terms and conditions for the Employment Agreement for the position of City Manager/Executive Director. (Staff does not recommend this alternative.)
2. Modify the recommended terms and conditions for the Employment Agreement for the position of City Manager/Executive Director. (Staff does not recommend this alternative.)
3. Approve the recommended terms and conditions for the Employment Agreement for the position of City Manager/Executive Director. (Staff recommends this alternative.)

FISCAL IMPACT

The Fiscal Impact of this matter will depend on the final compensation and benefits packet approved for the position of the City Manager/Executive Director, but it is a necessary cost since the position of City Manager is a statutory position mandated under State law and is currently budgeted as previously approved by Council during the adopted budget process.

PREPARATION OF STAFF REPORT

Prepared By:
Steven B. Quintanilla
City Attorney

Report Approval Details

Document Title:	STAFFREPORT_CA_CITYMANAGEREXECUTIVEDIRECTOREMPLOYMENTAGREEMENT.docx1.7.25.docx
Attachments:	- City Manager Executive Director Employment Agreement sbq.doc
Final Approval Date:	Jan 2, 2025

This report and all of its attachments were approved and signed as outlined below:

Patty Rodriguez

Natalia Lopez

Launa Jimenez

No Signature - Task assigned to Brian Mohan was completed by workflow administrator Patty Rodriguez

Brian Mohan

No Signature - Task assigned to Mike Lee was completed by workflow administrator Patty Rodriguez

Mike Lee

Patty Rodriguez