



City of Rialto

Legislation Text

File #: CC-19-596, **Version:** 1

For City Council Meeting [May 28, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Sean Grayson, Interim City Administrator

FROM: Fred Galante, City Attorney

Request City Council to Approve an Employment Agreement between the City of Rialto and Rod Foster for City Administrator Position.

(ACTION)

BACKGROUND:

The City's former city administrator retired in December 2017. Since his retirement, the City has been recruiting for a permanent city administrator. In the interim, several current and former City department heads have served as interim city administrator.

The City Council recently interviewed candidates for the vacant position. Following candidate interviews, the City Council expressed an interest in hiring Rod Foster. Accordingly, the City Council directed the City Attorney to prepare an agreement for Mr. Foster's employment as city administrator for Council's consideration on May 28, 2019.

Mr. Foster has nearly 30 years of experience working for cities in California. He has previously served as the city manager for the City of Colton and for the City of Laguna Niguel.

ANALYSIS/DISCUSSION:

The city administrator serves as the administrative head of the government of the City. The city administrator serves at the pleasure of the City Council. The terms and conditions for the employment of the city administrator position are provided by employment agreement.

A draft employment agreement between the City and Mr. Foster is to be provided separately. Further changes to the agreement may be required prior to the City Council's consideration of this agreement on May 28, 2019. In the event edits are made to the draft, a redline version of the revised agreement will be circulated for City Council and public review.

The following provides a summary of key provisions of the proposed employment agreement with Mr. Foster:

- Salary: Annual salary would be \$240,000 annually.
- At-will nature of employment: The position of city administrator is an at-will position serving at the pleasure of the City Council.

- Term: A term of 5 years, which can be extended by the parties for 1 year following a positive performance evaluation.
- Severance: If Mr. Foster is terminated without cause, then he will be entitled to severance as follows:

0-6 months with City	monthly salary times 18
6-24 months with City	monthly salary times 12
After 24 months with City	monthly salary times 6

If terminated for cause, Mr. Foster would not be entitled to payment of any severance.

- Benefits:
 - The benefits would generally consistent with those of the City's department heads, except as specified in the employment agreement.
 - Vacation leave: Provided 120 hours up front. Thereafter, accrual would be at the rate of 6.15 hours per pay period.
 - Sick leave: Provided 120 hours up front. Thereafter, accrual would be at the rate of 10 hours per month.
 - Administrative leave: 140 hours per year.
 - Deferred compensation: \$750 per month.
 - Vehicle: Provided a City-vehicle for business and incidental personal use.
 - Educational incentive: 7.5% of regular base salary based on master's degree (same as provided to eligible City department heads).
 - CalPERS: Mr. Foster would be enrolled in the City's 2% at 62 retirement plan consistent with the requirements of state retirement law for "new" CalPERS members. The employee contribution under this plan is presently 8%.
 - Health insurance coverage and retiree health: Same as for department heads.
 - Relocation reimbursement: Up to \$8,500 if Mr. Foster moves to San Bernardino County and within 25 miles of City Hall within 2 years.
 - Life insurance: Benefit amount equivalent to 2x amount provided to department heads.

Exempt status: The position is exempt from overtime, per the Federal Labor Standards Act.

ENVIRONMENTAL IMPACT:

The request is not a Project as defined by Section 15378 of the California Environmental Quality Act (CEQA) Guidelines. A "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Pursuant to Section 15378 (b) (5) a project does not include organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW:

The City Attorney prepared and approved this staff report.

FINANCIAL IMPACT:

Operating Budget Impact

The City Administrator position is budgeted at \$267,862 in fiscal year FY2019, and budget is available due to the position remaining vacant for a portion of the year. The proposed FY2020 budget includes \$325,000 budget for the City Administrator position.

RECOMMENDATION:

Staff recommends that the City Council approve the Employment Agreement between the City of Rialto and Rod Foster for the City Administrator Position.