

RESOLUTION NO. 8607

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF CORONADO APPROVING THE CITY MANAGER
EMPLOYMENT AGREEMENT**

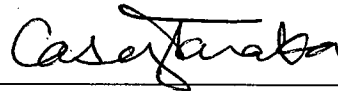
WHEREAS, the City Council has completed a selection process and made a decision to appoint a new City Manager for the City of Coronado, effective May 24, 2010; and

WHEREAS, Blair King has agreed to accept the City Manager position;

NOW THEREFORE, be it resolved that the City Council of the City of Coronado does hereby fix the compensation and expense allowances for the City Manager as contained in the City Manager Employment Agreement, Between the City of Coronado, a Municipal Corporation, and Blair King, which is attached hereto as Exhibit "A" and is herewith adopted by the City of Coronado.

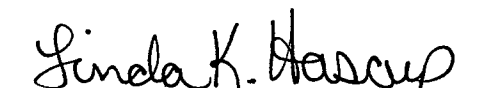
PASSED AND ADOPTED by the City Council of the City of Coronado, California, this 25th day of March, 2010 by the following vote, to wit:

AYES: DOWNEY, DENNY, OVROM, WOIWODE, TANAKA
NAYS: NONE
ABSENT: NONE
ABSTAIN: NONE



Casey Tanaka, Mayor
City of Coronado

Attest:



Linda K. Hascup, City Clerk, CMC

CITY MANAGER EMPLOYMENT AGREEMENT
Between the City of Coronado, a Municipal Corporation, and Blair King

1. Parties and Date

This Agreement is dated March 25, 2010, and is effective as of May 24, 2010, by and between the City of Coronado, California, a municipal corporation (the "City"), and Blair King, an individual (the "Officer"), referred together herein as "the Parties".

- A. The City requires the services of a City Manager;
- B. The Officer has the necessary education, experience, skills, and expertise to serve as the City's City Manager;
- C. The City Council of the City (the "City Council") desires to employ Officer to serve as the City Manager of the City;
- D. The Parties desire to execute this Agreement pursuant to the authority of and subject to the provisions of Government Code Section 53260 *et seq.*; and
- E. In consideration of these Recitals and the performance by the Parties of the promises, covenants, and conditions herein contained, the Parties agree as provided in this Agreement.

2. Employment

The City hereby employs the Officer as its City Manager, and Officer hereby accepts such employment.

3. Commitments and Understandings

A. The Officer's Commitments

(1) Duties & Authority

- (a) Officer shall be the Chief Executive Officer of the City and be responsible to the City Council for the proper administration of all affairs of the City.
- (b) Officer shall be the Executive Director of the Community Development Agency (the "Agency").
- (c) Officer shall perform all of the duties of the City Manager as set forth in Chapter 2.04.070 of the Coronado Municipal Code (the "Municipal Code"), the California Government Code, and City policies and procedures approved by the City Council, as may be provided from time to time.
- (d) To accomplish this, Officer shall have the power and be required to:

- (i) Attend all meetings of the City Council, unless excused by the Mayor, and take part in the discussion of all matters before the City Council.
- (ii) Review all agenda documents before preparing the agenda for any regular or special meetings of the City Council.
- (iii) Direct the work of all appointed City officers and departments that are the concern and responsibility of the City Council, except those that are directly appointed by or report directly to the City Council. Officer may undertake any study or investigation that is necessary or desirable, or as directed by the City Council. Officer shall endeavor to implement changes that he believes will result in greater efficiency, economy, or improved public service in the administration of City affairs.
- (iv) Recommend to the City Council adoption of such measures as Officer may deem necessary or expedient for the health, safety, or welfare of the community or for the improvement of administrative services.
- (v) Consolidate or combine offices, positions, departments, or units under Officer's jurisdiction. Officer may be the head of one or more City departments.
- (vi) Conduct research in administrative practices in order to bring about greater efficiency and economy in City government, and develop and recommend to the City Council long-range plans to improve City operations and prepare for future City growth and development.
- (vii) Provide management training and develop leadership qualities among department directors and staff as necessary to build a City management team that can plan for and meet future challenges.
- (viii) Exercise control of City government in emergencies as authorized by the Municipal Code and California law.

(2) Hours of Work

- (a) Officer is an exempt employee without set hours of work, but is expected to be available at all times and to engage in those hours of work that are necessary to fulfill the obligations of the City Manager's position.
- (b) Officer shall spend sufficient hours on site to perform the City Manager's duties; however, Officer has discretion over his work schedule and work location.

B. City Commitments

- (1) The City shall provide Officer with the compensation, incentives, and benefits specified elsewhere in this Agreement.
- (2) The City shall provide Officer with office space, staff, equipment, supplies, automobile allowance, and all other facilities and services adequate for the performance of the City Manager's duties.
- (3) The City shall pay for or provide Officer with reimbursement for all actual business expenses.
- (4) The City agrees to pay Officer's professional dues and subscriptions for participation in national, regional, state, or local associations and organizations, as necessary and desirable for the good of the City, and for Officer's continued professional participation and advancement.
- (5) Within budget limitations, the City agrees to pay Officer's travel and subsistence expenses for purposes such as official functions, meetings, occasions, short courses, institutes, and seminars that are necessary for the good of the City or for Officer's professional development.
- (6) The City shall provide Officer with a laptop computer at the City's expense.
- (7) The City agrees to pay expenses for membership in one local service club.
- (8) The City agrees to provide Officer with the following relocation allowance:
 - (a) The City will reimburse the cost of moving household goods to Coronado. Cost estimate will be based upon the lowest of three bids.
 - (i) In the event Officer voluntarily terminates employment with the City within 24 months of the appointment date, Officer shall reimburse City any moving expenses actually paid by the City.
 - (b) The City agrees to provide Officer with up to \$3,000 for expenses associated with temporary housing, travel, and other relocation expenses incurred prior to relocation of household goods.
 - (i) In the event, Officer voluntarily terminates employment with the City within 24 months of the appointment date, Officer shall reimburse City any expenses actually paid by the City.
- (9) The City agrees to provide Officer with housing assistance.
 - (a) The parties agree that the housing assistance will be in a form of a home loan in an amount not to exceed \$1.5 million at a rate two percent (2%) above what the City's investments are earning in the State of California Pooled Money Investment Account-Local Agency Investment Fund (LAIF) at the time the loan is extended. The term of the loan is for 30 years with a variable interest rate recomputed every two years with a

lifetime cap of five percent (5%). No single adjustment will exceed fifty basis points or one-half percent. Officer shall exercise this term within one (1) year of his appointment.

- (b) Officer agrees to sell the residence subject to the loan and repay the existing balance on the loan within six months after the end of his employment with the City.
- (c) Upon Officer exercising this term, a separate loan document will be executed.

(10) Performance Evaluation

- (a) The City Council recognizes that for Officer to respond to its needs and to grow in the performance of the City Manager's duties, Officer needs to know how the City Council-members evaluate his performance. To assure that Officer gets this feedback, the City Council shall conduct an evaluation of the City Manager's performance at least once each year to be scheduled during the month of May to coincide with the close of the fiscal year, and when it deems necessary to discuss any concerns or direction in performance.

4. COMPENSATION

The City agrees to provide the following compensation to the City Manager during the term of the agreement:

A. Compensation and Required Employer Costs

(1) Base Salary

- (a) The annual base salary for the position of City Manager shall be One Hundred Ninety-Three Thousand Dollars (\$193,000).
- (b) Officer shall be paid at the same intervals and in the same manner as regular City employees.
- (c) Any modification to base salary shall be effective only when approved by the City Council upon completion of the annual performance evaluation required by this Agreement.
- (d) The City may reduce the base salary, compensation or other financial benefits of Officer during the term of this Agreement as part of a general salary reduction in pay among management employees.

B. Basic Benefits

(1) Leave Allowance

- (a) Officer shall receive the same annual leave accrual and non-safety benefits as provided to the Executive Employees at the highest range.
- (b) Officer shall receive the same administrative leave as provided to Executive Employees.

(2) Automobile

Officer shall be provided a monthly automobile allowance of \$525.00 in exchange for making a vehicle available for the City Manager's own use and for City-related business and/or functions during, before, and after normal work hours. Employee is responsible for all liability for personal injury and property damages, and for operation, maintenance, and repair of the automobile arising out of Officer's use of the automobile. Officer is also responsible for paying all income tax liability, whether federal or state, arising out of Officer's receipt of the automobile allowance. Officer shall submit proof to City of a valid driver's license and insurance for his automobile. By Officer making his personal vehicle available for use, Officer is not precluded from using City vehicles for City business during, before and after the normal workday on occasion, when appropriate.

(3) Benefits that Accrue to Other Employees

Officer shall be entitled to all benefits, rights, and privileges accorded to non-public safety City Executive Employees except as otherwise provided in this Agreement and which are described in the City of Coronado Personnel Authorization and Compensation Plan, which is amended by City Council resolution from time to time (See Attachment 1). If there is any conflict between this Agreement and any resolution fixing benefits for non-public safety City Executive Employees or other non-classified employees, this Agreement shall control.

5. **SEPARATION**

A. Resignation/Retirement

Officer may resign at any time and agrees to give the City at least 45 days' advance written notice of the effective date of the Officer's resignation, unless the Parties otherwise agree in writing. If Officer retires from full-time public service with the City, Officer may provide six-month advance notice. Officer's actual retirement date will be mutually established.

B. Termination & Removal

- (1) Officer is an at-will employee serving at the pleasure of the City Council as provided in Government Code Section 36506.

- (2) The City Council may remove Officer at any time, either with or without cause, by a majority vote of its members. Notice of termination shall be provided to Officer in writing.
- (3) Officer shall not be terminated during the 90-day period before or after any City election for membership on the City Council.

C. Severance Pay

- (1) In the event Officer is terminated by the City Council during such time that the Officer is willing and able to perform the City Manager's duties under this Agreement, then in that event the City agrees to pay Officer a lump sum cash payment equal to six-month base salary.
- (2) All payments required under this Section are subject to and shall be interpreted to comply with the limitations set forth in Government Code Section 53260.
- (3) The Parties agree that the severance benefits due upon termination, if any, and other benefits due upon termination as provided by this Agreement, shall be the only compensation payable to the Officer and are intended to compensate the Officer for any damages, which could include, among other losses: the loss of the opportunity to transition employment, the loss of alternate employment opportunities, the loss of income, the loss of opportunities for retraining or further education, the erosion of personal investments and savings, the loss of retirement benefits, physical displacement or the loss of a residence, the loss of insurance and medical benefits, expenses for professional counseling, the loss of standard of living including educational opportunities for children, and the resultant emotional distress to the Officer and the Officer's family.
- (4) In the event Officer resigns his position with the City, then the Officer shall not be entitled to severance pay but will receive all benefits that have already accrued as is typically paid out to other City employees upon resignation.

D. Separation for Cause

- (1) Notwithstanding the provisions of Sections 5B and 5C, Officer may be terminated for cause. As used in this section, "cause" shall mean only one or more of the following:
 - (a) Conviction of, or no contest plea to, a felony;
 - (b) Conviction of, or no contest plea to, any illegal act involving moral turpitude or personal gain;
 - (c) Continued abuse of non-prescription drugs or alcohol that materially affects the performance of the Manager's duties;
 - (d) Any act constituting a knowing and intentional violation of the City's conflict of interest code; or

(e) Repeated and protracted unexcused absences from the City Manager's office and duties.

(2) In the event the City terminates Officer for cause, then the City may terminate this Agreement immediately, and Officer shall be entitled to only the compensation accrued up to the date of termination and such other termination benefits and payments as may be required by law. The City Manager shall not be entitled to any severance benefits provided by Section 5.C.

6. MISCELLANEOUS PROVISIONS

A. Term

Officer's term of employment as City Manager shall begin May 24, 2010, and shall continue unless otherwise terminated as provided for in this Agreement.

B. Amendments

This Agreement may be amended at any time by mutual agreement of the City and the Officer. Any amendments are to be negotiated, put in writing, and adopted by the City Council.

C. Conflict of Interest

(1) Officer shall not engage in any business or transaction or have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties.

(2) Officer shall also be subject to the conflict of interest provisions of the California Government Code and any conflict of interest code applicable to Officer's City employment.

(3) Officer is responsible for submitting to the City Clerk the appropriate Conflict of Interest Statements at the time of appointment, annually thereafter, and at the time of separation from the position.

D. Indemnification

(1) To the full extent of the law, the City shall defend and indemnify Officer, in his capacity as City Manager, and as the chief executive of other City-related legal entities as provided in Section 3.A(1)(c) above, against and for all losses sustained by Officer in direct consequences of the discharge of the City Manager's duties on the City's behalf for the period of the Officer's employment, save and except those losses sustained as a result of the willful act or omission of Officer.

(2) The City shall defend, save harmless, and indemnify the Officer against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Officer's duties as City Manager. The City may compromise and

settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

- (3) Whenever Officer shall be sued for damages arising out of the performance of the City Manager's duties, the City shall provide defense counsel for Officer in such suit and indemnify Officer from any judgment rendered against Officer; provided that such indemnity shall not extend to any judgment for damages arising out of any willful wrongdoing. This indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement to provide protection for any such acts undertaken or committed in Officer's capacity as City Manager, regardless of whether the notice of filing of a lawsuit occurs during or following employment with the City. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies that Officer may have under the law.
- (4) This Agreement is binding upon and inures to the benefit of the heirs and personal representatives of Officer.

E. Severability

If any clause, sentence, part, section, or portion of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, such clause, sentence, part, section, or portion so found shall be regarded as though it were not part of this Agreement and the remaining parts of this Agreement shall be fully binding and enforceable by the Parties hereto.

F. Laws Affecting Title

In addition to those laws affecting a City Manager, Officer shall have the same powers, rights and responsibilities as a Chief Executive Officer, City Administrative Officer, Administrator, and/or City Administrator as those terms are used in local, state or federal laws.

G. Jurisdiction and Venue

This Agreement shall be construed in accordance with the laws of the State of California, and the Parties agree that venue shall be in San Diego County, California.

H. Entire Agreement

This Agreement represents the sole and complete agreement of the Parties, and no representations have been made or relied upon except as set forth herein. Although the state and local laws referenced in the Agreement are subject to change and are binding upon the Parties without any written amendment to this Agreement, any other terms of this Agreement may be amended or modified only by a written, fully executed agreement of the Parties.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

CITY OF CORONADO

OFFICER

By: Casey Tanaka
Casey Tanaka, Mayor

By: Blair King
Blair King

ATTEST:

By: Linda K. Hascup
Linda Hascup, City Clerk

APPROVED AS TO FORM:

By: Morgan Foley
Morgan Foley, City Attorney