

TOWN OF LOS GATOS COUNCIL AGENDA REPORT

MEETING DATE: 08/20/2024 ITEM NO: 15

| DATE: | August 14, 2024 |
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| TO: | Mayor and Town Council |
| FROM: | Laurel Prevetti, Town Manager |
| SUBJECT: | Approve the Employment Agreement Between the Town of Los Gatos and Chris Constantin for Appointment to Town Manager, Authorize the Mayor to Execute the Agreement, Modify the Management Salary Schedule to Reflect the New Salary for the Town Manager, and Approve a Budget Expenditure Adjustment in the Amount of \$61,188 |

RECOMMENDATION:

Approve the employment agreement (Attachment 1) between the Town of Los Gatos and Chris Constantin for appointment to Town Manager effective November 4[,] 2024, authorize the Mayor to execute the agreement and modify the start date as required, modify the Management Salary Schedule to reflect the new salary for the Town Manager (Attachment 3), and approve a Budget Expenditure Adjustment in the amount of \$61,188.

BACKGROUND:

In accordance with the Town's Municipal Code, the Town Manager is appointed by the Town Council. The terms and conditions of employment historically have been set forth in an employment agreement between the Council appointee and the Town. The employment agreement is established at the time of appointment and updated periodically on an as-needed basis.

The Town contracted with an executive search firm, Peckham & McKenney, for the recruitment of the new Town Manager. After a comprehensive recruitment process, the Town Council selected Chris Constantin from a pool of highly qualified candidates for the position.

DISCUSSION:

The attached employment agreement sets forth the terms and conditions of Mr. Constantin's appointment to the position. Under the proposed agreement, Mr. Constantin commences his

PREPARED BY: Cheryl Parkman Human Resources Director

Reviewed by: Town Manager, Town Attorney, and Finance Director

PAGE **2** OF **3** SUBJECT: Town Manager Employment Agreement DATE: August 12, 2024

DISCUSSION (continued)

position as the Town Manager on Monday, November 4, 2024. The proposed annual base salary is \$329,000. He will also receive an employer dollar for dollar match to his deferred compensation amount and a cell phone stipend of \$120 per month. Compensation also includes a retention payment of \$15,000 that can be made at the Town Council's discretion; personal leave, vacation, and sick leave consistent with Town policy with a starting bank of 40 hours of sick leave and 80 hours of vacation leave; and 15-month severance payment in the event of termination without cause.

The current Town Manager will be retiring on September 6, 2024. During the intervening period, Katy Nomura, Assistant Town Manager, will be serving as the interim Town Manager. Her strong knowledge of the Town, its community, and key projects will ensure a smooth leadership transition for the Council, community, and employees.

CONCLUSION:

Approve the employment agreement between the Town and Mr. Constantin and authorize the Mayor to execute the agreement on behalf of the Town (Attachment 1).

If the Town Council approves the updated Management Salary Schedule contained in a separate Consent item on the August 20, 2024 agenda, then the Town Council should approve Attachment 3 which would update the Management Salary Schedule to include the new Town Manager salary and the modifications contained in the other agenda item. If the Council did not approve the other changes to the Management Salary Schedule, then the Council should approve Attachment 2 with only the change to the Town Manager salary.

COORDINATION:

This report was coordinated with the Town Attorney's and Town Manager's Offices.

FISCAL IMPACT:

The adoption of this agreement requires a Budget Expenditure Adjustment in the amount of \$61,188.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

PAGE **3** OF **3** SUBJECT: Town Manager Employment Agreement DATE: August 12, 2024

Attachments:

- 1. Employment Agreement Town Manager
- 2. Management Salary Schedule with Only the Town Manager Modification
- 3. Management Salary Schedule with all August 20, 2024 Modifications