



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 07/31/07
AGENDA ITEM 1
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: City Clerk/City Attorney
SUBJECT: City Manager Appointment - Approval of Employment Agreement

RECOMMENDATION

It is hereby recommended that Council adopt the resolution appointing Gregory T. Jones as City Manager and approving the employment agreement.

BACKGROUND

Pursuant to the direction of Council, attached is a resolution appointing Gregory T. Jones as City Manager. Also attached is the employment agreement referenced as Exhibit A.



MEDIA RELEASE

Release Date: July 27, 2007

Contact: Office of the Mayor
Phone: 510-583-4340

Greg Jones Selected As City Manager

Mayor Michael Sweeney announced today that the City Council has selected Greg Jones to become Hayward's new City Manager. Jones takes on the position left vacant due to the recent retirement of Jesús Armas. Council is expected to formally appoint Jones and approve the details of the new City Manager's contract at their meeting of July 31. Mayor Sweeney indicated that Jones will begin his new duties October 1.

Currently the City Manager for the City of Chico, Jones is looking forward to working with the City Council and the organization to build on the successes already achieved by the City. "I have been impressed with the professionalism of the organization as I have gone through the selection process, and look forward to working with a great team of employees to continue to move things forward." Jones has been with the City of Chico since 2004, serving first as Assistant City Manager and then City Manager.

Jones has nearly 25 years of public sector experience in various capacities, including service as an officer in the United States Air Force. Jones previously served as Assistant City Manager in Concord, California prior to moving to Chico. "His background fits well with many of the challenges he will face in Hayward. His experiences in Concord and Chico have given him a well rounded understanding of local government, and how to go about delivering excellent public services," according to Mayor Sweeney.

Jones is a graduate of Central Washington University with a Bachelor of Science degree in Business Administration, and received his Masters in Public Administration (MPA) from California State University, Hayward (now East Bay).

Greg and his wife, Betty, will make Hayward their home, relocating from their home in Chico. Their children and grandchildren reside in the East Bay, which was a contributing factor in Jones's reason for relocating to Hayward. "Family is a priority for me and my wife, and living in Hayward will be absolutely perfect on a personal level. I also believe a City Manager should live where he or she works. Betty and I can't wait to become part of the Hayward community."

Employment Agreement Between the City of Hayward and Gregory T. Jones

Introduction

This Agreement, made and entered into this 31st day of July, 2007, by and between the City of Hayward, a chartered California City and municipal corporation, (hereinafter called "Employer") and Gregory T Jones, (hereinafter called "Employee") an individual who has the education, training and experience in local government management, both of whom agree as follows:

Section 1: Term

The term of this agreement shall be for an initial period of two (2) years from October 1, 2007 through September 30, 2009. Thereafter, this Agreement shall automatically be renewed on its anniversary date for terms of one (1) year until terminated by either party as herein provided.

Section 2: Duties and Authority

Employer agrees to employ the Employee as City Manager to perform the functions and duties specified in Article VII sections 700 et seq. of the Hayward City Charter and such other duties and functions as directed by the City Council.

Section 3: Compensation

The Employer agrees to pay Employee an annual base salary of \$190,000 and annual deferred compensation of \$10,500. The Employer agrees to pay the Employee in equal installments on a bi-weekly basis during the term of this Agreement.

Section 4: Health, Disability, Life Insurance, and Other Benefits

Upon commencing employment, the Employer agrees to provide and to pay the premiums for health, hospitalization, surgical, vision, dental and comprehensive medical insurance for the Employee and his/her dependents equal to that which is provided to all unrepresented management employees of the Employer.

Similarly, the Employer agrees to obtain and to make required premium payments for short term and long term disability insurance coverage for the Employee while this Agreement is in effect. The Employer shall also pay the amount due for term life insurance in an amount equal to \$200,000, including all increases during the life of this Agreement. The Employee shall have the right to choose the beneficiary on such policies.

In addition to the benefits set forth herein, all actions taken by the City Council relating to salary and benefits for Unrepresented Management Employees shall be considered actions granting the same benefits to Employee.

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Section 5: Vacation, Sick, and Military Leave

Upon commencing employment, the Employee shall be credited with eighty (80) sick and eighty (80) vacation leave hours of accrued leave credit for prior public service. Thereafter, Employee shall accrue sick and vacation leave on an annual basis.

Employee shall be entitled to a total of twenty (20) days of vacation annually, exclusive of holidays recognized by the Employer, to which the Employee shall also be entitled.

Employee shall be entitled to eighty (80) hours of administrative leave annually as provided in the Salary and Benefits Resolution for Unrepresented Management Employees.

In the event of termination, either voluntarily or involuntarily, the Employee shall be compensated for accrued sick and vacation time, as of the date of termination, as provided in the Salary and Benefits Resolution for Unrepresented Management Employees.

Section 6: Automobile and Monthly Expense Allowance

To compensate the Employee for automobile and other expenses related to the duties of City Manager, the Employer agrees to provide a monthly Automobile and Monthly Expense Allowance of five hundred dollars (\$500) to compensate the Employee for expenses related to the use, purchase and/or lease of an automobile, as well as to operate, insure and maintain a vehicle, as well as for other expenses related to the duties of the Employee. Such allowance shall be adjusted annually to reflect increases in the cost of living.

Employee shall be entitled to a cellular phone allowance of one hundred dollars (\$100) a month. Such allowance shall be adjusted annually to reflect increases in the cost of living.

Section 7: Retirement

The Employer agrees to enroll the Employee into California Public Employees Retirement System (PERS) and during the life of this Agreement to make the appropriate contributions as required to PERS for both the Employee (7%) and the Employer. Employee shall be required to supplement the Employee portion of the PERS contribution by paying one percent (1%) per annum.

Section 8: Terminations

For the purpose of this agreement, termination shall occur when:

1. The majority of the governing body votes to terminate the Employee at a duly authorized public meeting; or

2. If the Employer, citizens or legislature acts to amend any provisions of the charter, ordinances or appropriate enabling legislation pertaining to the role, powers, duties, authority, and responsibilities of the Employee's position, and such amendment substantially changes the form of government, the Employee shall have the right to declare that such amendment constitutes termination; or

3. If the Employee resigns following an offer to accept resignation, whether formal or informal, by the Employer, then the Employee may declare a termination as of the date of the Employee's acceptance of such offer: or

4. Breach of contract declared by either party with a 30 day cure period for either Employee or Employer. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 18.

Section 9: Severance

Severance shall be paid to the Employee when employment is terminated as defined in Section 8. If the Employee is terminated, the Employer shall provide a minimum severance payment equal to six months salary and benefits at the current rate of pay. This severance shall be paid in a lump sum unless otherwise agreed to by the Employer and the Employee.

The Employee shall also be compensated for all accrued sick leave, vacation time, all paid holidays, and executive leave as provided in the Salary and Benefit Resolution for the Unrepresented Management Employees. The Employer agrees to make a contribution to the Employee's deferred compensation account on the value of this compensation calculated using the rate ordinarily contributed on regular compensation.

If the Employee is terminated because of a conviction of a felony, then the Employer is not obligated to pay severance under this section.

Section 10: Resignation

In the event that the Employee voluntarily resigns his/her position with the Employer, the Employee shall provide a minimum of 90 days notice unless the parties agree otherwise.

Section 11: Performance Evaluation

Employer may review the performance of the Employee as needed.

Section 12: Hours of Work

It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end Employee shall be allowed to establish an appropriate work schedule.

Section 13: Outside Activities

The employment provided for by this Agreement shall be the Employee's sole employment.

Section 14: Moving and Relocation Expenses

Employee agrees to establish residence within the corporate boundaries of the City of Hayward, within three (3) months of employment, and thereafter to maintain residence within the corporate boundaries of the local government.

Employer shall pay directly for the expenses of moving Employee and his/her family and personal property to the City of Hayward. Said moving expenses include packing, moving, storage costs, unpacking, and insurance charges. Employer shall reimburse Employee for actual temporary lodging expenses for a period of time not to exceed three months.

Section 15: Indemnification

Beyond that required under Federal, State or Local Law, Employer shall defend, save harmless and indemnify Employee 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 Employee's duties as City Manager or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act or omission involved willful or wanton conduct. The Employer shall indemnify employee against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings including attorneys fees, and any other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his or her duties. Any settlement of any claim must be made with prior approval of the Employer in order for indemnification, as provided in this Section, to be available.

Section 16: Bonding

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

Section 17: Other Terms and Conditions of Employment

The Employer may fix such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Hayward City Charter or any other law.

Section 18: Notices

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- (1) EMPLOYER: Mayor of the City of Hayward
Hayward City Hall
777 "B" Street
Hayward, California 94541
- (2) EMPLOYEE: Gregory T. Jones
(Address)

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 19: General Provisions

A. Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this agreement during the life of the agreement. Such amendments shall be incorporated into and made a part of this agreement.

B. Effective Date. This Agreement shall become effective on the date that is approved by the Hayward City Council.

C. Severability. The invalidity or partial invalidity of any portion of this Agreement will not effect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

Dated: _____, 2007

Executed by:

Michael Sweeney
Mayor, City of Hayward

Gregory T. Jones
Employee

APPROVED AS TO FORM

City Attorney of the City of Hayward