

CITY COUNCIL RESOLUTION NO. 04-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
APPROVING A SALARY ADJUSTMENT FOR THE CITY MANAGER
AND EMPLOYMENT CONTRACT AMENDMENT

WHEREAS, the City Manager Employment Contract between the City and James L. App (the "Contract") requires the City Council to conduct an annual review of the City Manager's performance each year during the term of the Contract; and

WHEREAS, the Contract provides for annual salary adjustments to the base salary for the City Manager on September 1 of each year, based on several criteria; and

WHEREAS, the City Council has conducted such annual review of the City Manager's performance in accordance with the provisions of the Contract; and

WHEREAS, based on such annual review and the terms of the City's Manager's Contract, the City Manager would be entitled to an increase in salary of 7.4%; and

WHEREAS, in recognition of the budgetary constraints and other challenges the City is facing this fiscal year, the City Manager and the City Council desire to enter into an Amendment (the "Amendment") of the Contract to limit the salary increase to which the City Manager would otherwise be entitled for the period of September 1, 2004, to August 31, 2005, to 6%.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES
HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Based on the annual review of the City Manager's performance recently conducted by the City Council, the City Council hereby approves and authorizes the execution of the Amendment, attached hereto as Exhibit A and incorporated herein by reference.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 21st day of September 2004 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

FIRST AMENDMENT TO CITY MANAGER EMPLOYMENT CONTRACT

THIS FIRST AMENDMENT (the "Amendment") is entered into this ___ day of September, 2004, by and between the City of El Paso de Robles, a municipal corporation (the "City") and James L. App ("App"), an individual.

Recitals

A. The City and App are parties to a City Manager Employment Contract dated January 7, 2002 (the Contract").

B. Pursuant to the terms of the Contract, App's performance is evaluated annually by the City Council.

C. In addition, pursuant to the Contract, App is entitled to an adjustment on September 1 of each year to his base salary. Based upon the terms of the Contract, App would be entitled to an increase of 7.4% on September 1, 2004.

D. Based on the current budgetary constraints and other challenges facing the City during this fiscal year, the City has requested, and App has agreed to limit the amount of his salary adjustment for the coming year.

Agreements

Section 1. The parties hereto agree that, under the terms of the Contract, App would be entitled to an increase in his annual base salary beginning September 1, 2004, of 7.4%. However, based on the facts stated in the Recitals, the parties agree that the annual base salary to be paid to App, beginning September 1, 2004, shall be increased by 6%, to an amount equal to \$129,485.

Section 2. This Amendment shall only apply to the salary adjustment to be made as of September 1, 2004 and remain in effect through August 31, 2005. Except as modified by this Amendment, all other terms of the Contract shall remain in full force and effect, including the salary adjustment to be made as of September 1, 2005.

CITY OF EL PASO DE ROBLES

By: _____

Frank Mecham, Mayor

ATTEST:

By: _____

Sharilyn M. Ryan

Deputy City Clerk

JAMES L. APP

By: _____