



COUNCIL MEETING
06/22/2020
 Received Before Meeting **34**

TO: HONORABLE CITY COUNCIL

FROM: SANDRA BLANCH, ASSISTANT DIRECTOR HUMAN RESOURCES

DATE: JUNE 22, 2020

SUBJECT: ITEM #34 – APPROVAL OF SPECIAL AMENDMENTS TO EMPLOYMENT AGREEMENTS BETWEEN THE CITY OF PALO ALTO AND COUNCIL APPOINTED OFFICERS, SPECIFICALLY THE CITY ATTORNEY AND CITY MANAGER

An error was found in one attachment to this staff report. Amendment No Eight to Stump employment agreement was the inaccurate version. Attached is the appropriate version for discussion and adoption by Council.

DocuSigned by:
Sandra Blanch
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Sandra Blanch
Assistant Director
Human Resources

DocuSigned by:
Ed Shikada
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Ed Shikada
City Manager

**AMENDMENT NO. EIGHT TO EMPLOYMENT
AGREEMENT BETWEEN THE CITY OF PALO ALTO
AND
MOLLY S. STUMP**

This AMENDMENT NO. Eight to the EMPLOYMENT AGREEMENT (“Agreement”) is entered into on June 22, 2020 by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“City”), and MOLLY S. STUMP (“Stump”), an individual, located at 250 Hamilton Avenue 8th Floor, Palo Alto, CA.

RECITALS:

WHEREAS, the original EMPLOYMENT AGREEMENT between the City of Palo Alto and Molly S. Stump., attached hereto and incorporated herein as Exhibit “A” was entered into between the parties for the services of City Attorney on or about April 18, 2011; and

WHEREAS, AMENDMENT NO. ONE to the Agreement, attached hereto and incorporated herein as Exhibit “B” was entered into between the parties on or about March 24, 2014; and

WHEREAS, AMENDMENT NO. TWO to the Agreement, attached hereto and incorporated herein as Exhibit “C” was entered into between the parties on or about December 8, 2014.

WHEREAS, AMENDMENT NO. THREE to the Agreement, attached hereto and incorporated herein as Exhibit “D” was entered into between the parties on or about February 1, 2016.

WHEREAS, AMENDMENT NO. FOUR to the Agreement, attached hereto and incorporated herein as Exhibit “E” was entered into between the parties on or about December 12, 2016.

WHEREAS, AMENDMENT NO. FIVE to the Agreement, attached hereto and incorporated herein as Exhibit “F” was entered into between the parties on or about November 6, 2017.

WHEREAS, AMENDMENT NO. SIX to the Agreement, attached hereto and incorporated herein as Exhibit “G” was entered into between the parties on or about December 17, 2018.

WHEREAS, AMMENDMENT NO. SEVEN to the Agreement, attached hereto and incorporated herein as exhibit “H” was entered into between the parties on or about December 17, 2019.

WHEREAS, the parties wish to amend the Agreement;

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and

provisions of this Amendment, the parties agree:

SECTION 1: Section 3.1 of the Agreement, Compensation, is hereby amended to read as follows:

~~Commencing on and continuing from the pay period including July 1, 2019,~~ Stump's annual base salary shall ~~remain at~~ ~~be increased to~~ Three Hundred Thirteen Thousand Four Hundred and Fourteen and No/100 Dollars (\$313,414), prorated and paid on City's regular paydays. Stump shall be an exempt employee under applicable wage and hour law and her base salary shall be compensation for all hours worked. City agrees that the amount of Stump's base annual salary shall not decrease, except as part of a permanent decrease that is consistent with the Fair Labor Standards Act and that is applicable to either all Council Appointed Officers or all City Executive Staff (which includes all Council Appointed Officers).

For the purposes of addressing the City's financial hardships related to the global pandemic of COVID-19, Stump has agreed to take a 10% salary reduction in the form of unpaid furlough days (up to 26 furlough days, 208 hours) between July 1, 2020 and June 30, 2021. Up to 5% of the salary reduction (up to 13 furlough days, 104 hours) may be offset using paid leave such as vacation or management annual leave. Stump has also agreed not to seek nor accept any performance or cost of living increase through June 30, 2021

SECTION 2. Section 4 of the agreement Regular Benefits and Allowance is hereby amended to read as follows:

4. Regular Benefits and Allowances. Except as otherwise provided in this Agreement, Stump will be eligible for, and shall receive, all regular benefits (i.e., health insurance, PERS contribution paid by City, etc.) and vacation, sick leave, and management leave as are generally provided to management employees pursuant to the City Council-approved.

For the purposes of addressing the City's financial hardships related to the global pandemic of COVID-19, the City Attorney has agreed to reduce her excess management benefit of \$2,500 as outlined in the Management and Professional compensation plan to \$1,250 for the 2021 calendar year.

SECTION 3. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives executed this Amendment on the date first above written.

Attest:

City of Palo Alto

Approved as to form:

Molly S Stump

Attachments:

- EXHIBIT A: EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT B: AMENDMENT NO. ONE TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT C: AMENDMENT NO. TWO TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT D: AMENDMENT NO. THREE TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT E: AMENDMENT NO. FOUR TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT F: AMENDMENT NO. FIVE TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT G: AMENDMENT NO. SIX TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP
- EXHIBIT H: AMENDMENT NO. SEVEN TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF PALO ALTO AND MOLLY S. STUMP