

**SIXTH AMENDMENT TO CITY ADMINISTRATOR
AT-WILL EMPLOYMENT AGREEMENT**

This Sixth Amendment to City Administrator At-Will Employment Agreement ("Fifth Amendment") is made and entered into between the City of Carmel-by-the-Sea, California, a municipal corporation ("City") and Richard ("Chip") Lyons Rerig, an individual ("City Administrator"). The City and the City Administrator are sometimes individually referred to as a "Party" and collectively as "Parties." This Sixth Amendment shall be effective on October 1, 2022.

WHEREAS, the Parties entered into an Employment Agreement ("Employment Agreement") on February 2, 2016.

WHEREAS, pursuant to Section 7A of the Employment Agreement, City Administrator received a base salary that, at the time of the Employment Agreement, was \$190,000.00.

WHEREAS, the current base salary of the City Administrator based upon Resolution No. 2022-115 and the Fifth Amendment to the Employment Agreement is \$216,650.

WHEREAS, pursuant to the Employment Agreement, the City Council of the City of Carmel-by-the-Sea ("City Council") grants salary increases to City Administrator in its discretion.

WHEREAS, the Parties now desire to amend the Employment Agreement as follows:

NOW, THEREFORE, in consideration of the promises herein, the Parties agree as follows:

1. Term: Pursuant to Section 4 of the Employment Agreement, City Administrator's Term shall continue until March 1, 2029 or the date of earlier termination in accordance with the provisions in the Employment Agreement.
2. Salary Increase: The City Council hereby approves a salary increase for the City Administrator to \$231,815 effective October 1, 2022.
3. Government Code Provisions
 - a. Pursuant to Government Code section 53260, in the event City provides City Administrator with a cash settlement related to termination of the Employment Agreement, the cash settlement shall not exceed the lesser of (1) an amount equal to the monthly salary of Employee multiplied by 18 or (2) an amount equal to the monthly salary of City Administrator multiplied by the number of months left on the unexpired term of the Employment Agreement.
 - b. Pursuant to Government Code sections 53243 and 53243.3, in the event City provides paid leave salary to City Administrator pending an investigation into City Administrator, the City Administrator shall fully reimburse City for any paid leave salary if City Administrator is convicted of a crime involving an abuse of his office or position.
 - c. Pursuant to Government Code sections 53243.1 and 53243.3, in the event the City provides funds for City Administrator's legal criminal defense, the City Administrator shall

fully reimburse City for any such funds if City Administrator is convicted of a crime involving an abuse of his office or position.

d. Pursuant to Government Code sections 53243.2 and 53243.3, in the event LAFCO provides City Administrator with a cash settlement related to City Administrator's termination, City Administrator shall fully reimburse City for any such cash settlement if City Administrator is convicted of a crime involving an abuse of his office or position.

e. Pursuant to Government Code section 53243.4, an "abuse of office or position" means (a) an abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority, or (b) a crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85), or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

4. Except as specifically modified and amended in this Sixth Amendment, the Employment Agreement and its prior amendments remain in full force and effect and binding upon the Parties.

IN WITNESS WHEREOF, the Parties have executed this Sixth Amendment.

CITY OF CARMEL-BY THE SEA

A Municipal Corporation

DocuSigned by:
Dave Potter
By: _____
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Dave Potter, Mayor
Date: 11/18/2022

DocuSigned by:
Chip Rerig
By: _____
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Chip L. Rerig, City Administrator
Date: 11/16/2022

ATTEST:
DocuSigned by:
Nova Romero
By: _____
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Nova Romero, MMC, City Clerk
Date: 11/18/2022

APPROVED AS TO FORM:
DocuSigned by:
Brian Pierik
By: _____
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Brian Pierik, City Attorney
Date: 11/16/2022

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION NO. 2022-097

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA
AUTHORIZING THE MAYOR TO EXECUTE A FIFTH AMENDMENT TO THE CITY
ADMINISTRATOR AT-WILL EMPLOYMENT AGREEMENT EFFECTIVE OCTOBER 1, 2021**

WHEREAS, pursuant to Resolution No. 2016-012, the City of Carmel-by-the-Sea ("City") and Chip Rerig executed an Employment Agreement ("Employment Agreement") effective February 2, 2016 to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2017-088, City and Chip Rerig executed a First Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2018-110, City and Chip Rerig executed a Second Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2020-034, City and Chip Rerig executed a Third Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2020-077 City and Chip Rerig executed a Fourth Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, pursuant to Resolution No. 2022-015 City and Chip Rerig executed a Fifth Amendment to the Employment Agreement to continue to provide City Administrator services to the City; and

WHEREAS, the functions, duties and prerogatives of the City Administrator are specified in the Carmel-by-the-Sea Municipal Code and the provisions of the City Municipal Code shall control should any conflict exist pertaining to either this Resolution or the Sixth Amendment that it authorizes; and

WHEREAS, the City Administrator shall continue to serve at the pleasure of the City Council; and

WHEREAS, this action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment; and

WHEREAS, the attached proposed Sixth Amendment to the Employment Agreement is presented to the City Council for approval.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize a Sixth Amendment to the Employment Agreement as follows:

1. Effective October 1, 2022, increase the City Administrator's annual base salary 7% of the current salary of \$216,650 which is \$15,165 and shall be increased to \$231,815.
2. The Mayor is authorized and directed to execute a Sixth Amendment to the City Administrator At-Will Employment Agreement (Exhibit A) to this Resolution.
2. This Resolution shall take effect immediately following passage and adoption by the Carmel-by-the-Sea City Council.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 1st day of November, 2022, by the following roll call vote:

AYES: Council Members Baron, Ferlito, Theis, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:

ATTEST:



Dave Potter, Mayor



Nova Romero, MMC, City Clerk