



## Legislation Text

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**File #:** 18-0453, **Version:** 2

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Proposed Resolution to Amend the Employment Agreement for City Administrator Howard S. Lazarus

Whereas, The Employment Agreement between the City of Ann Arbor and the City Administrator Howard S. Lazarus dated May 9, 2016 calls for the City to conduct an annual performance review using mutually agreed upon criteria and allows for a review of the terms of the agreement and change by written agreement.

Whereas, The Council Administration Committee's current performance evaluation of Howard S. Lazarus is based on preliminary material received, including anonymous evaluations from City Council Members, his direct reports, as well as other related information;

Whereas, The Council Administration Committee has reviewed the performance evaluations and finds the City Administrator's performance to be between average and excellent overall; and

Whereas, The City Council believes providing equitable and sustainable compensation is critical to retaining employees that are essential to the City's ability to perform at levels expected by residents and taxpayers;

Whereas, The City Administrator is one of only two direct reports to the City Council, the other being the City Attorney, and those positions have had similar compensation structure over the tenure of the City Administrator;

Whereas, The City Administrator is responsible solely to the City Council;

Whereas, The City Administrator is responsible for the executive management of the highly diverse operations of the City of Ann Arbor and provides leadership, vision, and direction to City Departments, implements City Council policy, and works with City Council and administrative staff to craft strategic and financial planning objectives;

Whereas, The City Administrator position is one of significant responsibility and leadership;

Whereas, The City Administrator has provided effective and engaged leadership to the City over the past 18 months in many areas, including sustaining and enhancing a vibrant, safe, and diverse community; and

Whereas, The City Administrator currently earns a base salary of \$215,000.00

RESOLVED, that the employment agreement between Howard S. Lazarus and the City of Ann Arbor be amended as follows:

- 1) Section 4 of the Agreement be changed to reflect an increase to an annual salary of \$223,600.00, effective January 1, 2018.
- 2) Section 4 be amended to also provide a one-time lump sum payment of \$1,118.00.
- 3) Section 6.D be amended to add the following sentence at the end of the paragraph: Employee will be eligible to receive payment for any accrued and unused sick time, if and when he voluntarily resigns after a minimum of five years of employment.
- 4) Section 7.C be amended to read: The Employee shall receive an annual contribution into a Retirement Healthcare Reimbursement Account that shall be accessible when Employee becomes a retiree as defined in the City of Ann Arbor Health Reimbursement Account Plan Document. Pursuant to that Plan Document Employee will become a retiree when he voluntarily resigns from employment after a minimum of five years of employment. The annual contribution amount for the first year of service shall be \$2500 and shall be adjusted according to the City personnel rules, policies and procedures applicable to Non-Union City employees.
- 5) Section 7.D be deleted.

RESOLVED, That the Council Administration Committee place the final written performance evaluation in the City Administrator's personnel file; and

RESOLVED, That the Employment Agreement be amended to reflect the above Resolved Clauses and that the Mayor and City Clerk are authorized to execute the amendment.

Sponsored by: Mayor Taylor, Councilmembers Grand, Warpehoski, Krapohl, Lumm

**As Amended by Ann Arbor City Council on March 12, 2018**