

Y CITY OF PALM DESERT STAFF REPORT

MEETING DATE: September 11, 2025
PREPARED BY: Isra Shah, City Attorney
SUBJECT: CITY MANAGER EMPLOYMENT AGREEMENT

RECOMMENDATION:

Approve the City Manager Employment Agreement with Christopher Escobedo, effective September 11, 2025, and authorize the Mayor to execute the agreement.

BACKGROUND/ANALYSIS:

On April 10, 2025, the City Council approved a short-term agreement that covered the terms and conditions of employment during Mr. Escobedo's service as Interim City Manager. Following the recent completion of Mr. Escobedo's performance evaluation, the City Council appointed Mr. Escobedo as the permanent City Manager and directed staff to prepare a new employment agreement between the parties.

As part of the City Council's approval of the employment agreement, Senate Bill (SB) 1436 requires local agencies to report out certain information before changing the compensation or benefits of their "executives". Under this law, legislative bodies for agencies must orally report a summary of a recommendation for changes in salaries or benefits before voting for the changes. The votes must be taken in the open session portion of the meeting.

The proposed City Manager contract contains the following information:

- Annual Compensation: Increase current salary of \$270,000 to \$285,000, subject to an annual cost of living increase.
- Auto Allowance: Establish an allowance of \$600 per month, consistent with the City's contract with the previous City Manager.
- Severance: Under specified circumstances, provide 9 months' severance pay if the contract is terminated during the first three years of the agreement. The severance is reduced to 6 months' pay if terminated thereafter. Similar to the above, this provision is consistent with the City's arrangement with the previous City Manager.
- Vacation: Accrual of 8 hours per pay period, with accrual increases as other executive employees.
- Health benefits, deferred compensation, accrual rates, and other benefits are the same as those of other executive employees.

Legal Review:

This report has been reviewed by the City Attorney's Office.

City of Palm Desert
Approval City Manager Employment Contract

FINANCIAL IMPACT:

The City Manager position is a regularly budgeted position within the FY 2025-26 Annual Finance Plan; therefore, this action does not result in any additional impact to the General Fund.

ATTACHMENTS:

1. City Manager Employment Contract