

RESOLUTION NO. RES-2025-106

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING AMENDMENT NO. 3 TO THE CITY'S EMPLOYMENT AGREEMENT WITH CITY MANAGER TO REFLECT THAT THE CITY MANAGER WAIVED ANY MERIT/MARKET EQUITY SALARY ADJUSTMENT IN JUNE 2025 AND COST OF LIVING INCREASES FROM JULY 2025 THROUGH JULY 2026

WHEREAS, the City and the City Manager entered into an Employment Agreement dated November 10, 2021 ("Employment Agreement" or "City Manager's Employment Agreement"); and

WHEREAS, on March 29, 2022, by resolution RES-2022-061, the Council approved Amendment No. 1 to the Employment Agreement; and

WHEREAS, on May 23, 2023, by resolution RES-2023-087, the Council approved Amendment No. 2 to the Employment Agreement; and

WHEREAS, the City Manager's Employment Agreement states, "The City Manager will be entitled to receive an additional merit increase in June of 2025 if and as needed to align the City Manager's salary with the then-current average salary for City Manager classifications in the City's then-current list of comparable jurisdictions, as then used for salary comparisons City-wide."; and

WHEREAS, the City Manager's Employment Agreement states, "The City Manager shall also continue to receive cost of living increases in salary in accordance with the cost of living schedule provided to other Executive Management employees of the City, pursuant to the City's Compensation Plan for Executive Management employees. Said cost of living increases shall not exceed the annual California Consumer Price Index for Urban Wage Earners and Clerical Workers, as calculated by the Department of Industrial Relations, unless expressly approved by the Santa Rosa City Council."; and

WHEREAS, the City Manager's Employment Agreement also states, "In addition, upon completion of each annual performance evaluation as set forth in Section 6, the City Council shall consider whether to provide a merit increase in the City Manager's salary subject to the maximum salary range established for the City Manager classification. Whether to provide a merit increase, and the amount of any such increase, shall be in the exclusive discretion of the City Council."; and

WHEREAS, on July 9, 2024, by resolution RES-2024-122, the Council approved a three-year Wages, Hours and other Terms and Conditions of Employment for Employees in the City's Unit 10 – Executive Management (Unit 10 Agreement); and

WHEREAS, the Unit 10 Agreement provides effective the first full pay period following July 1, 2025, receive a 4% cost of living salary adjustment; and

WHEREAS, the Unit 10 Agreement provides effective the first full pay period following July 1, 2026, receive a 4% cost of living salary adjustment; and

WHEREAS, due to the City's current and foreseeable projected budget deficits, the City Manager has offered to waive any merit or market equity salary adjustment due to her in June 2025 and any cost of living salary increase due to her in July 2025 and July 2026 under the terms of the Employment Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa, in accordance with the provisions set forth in the Employment Agreement, approves Amendment No. 3 to the City Manager's Employment Agreement, attached hereto as Exhibit A, to reflect that the City Manager has waived any merit or market equity salary increase in June 2025 and any cost of living salary increase from July 2025 through July 2026.

BE IT FURTHER RESOLVED by the Council of the City of Santa Rosa, that, except as provided herein and in Exhibit A attached hereto, all other provisions of the City Manager's Employment Agreement shall remain in full force and effect, without change.

IN COUNCIL DULY PASSED this 17th day of June, 2025.

AYES: (7) Mayor Stapp, Vice Mayor Alvarez, Council Members Bañuelos, Fleming, MacDonald, Okrepkie, Rogers

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

RECUSE: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney

Exhibit A – Amendment No. 3 to Employment Agreement - City Manager