

AMENDMENT NO. 3 TO EMPLOYMENT
AGREEMENT

City Manager

This Amendment No. 3 to Employment Agreement is dated this ____ day of June 2025, between the City of Santa Rosa (“City”) and Maraskeshia Smith, (“City Manager” or “employee”).

RECITALS

WHEREAS, the City and the City Manager entered into an Employment Agreement approved by Council on December 7, 2021, by Resolution No. RES-2021-221 (“Employment Agreement”); and

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

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

WHEREAS, the City Manager’s Employment Agreement provides that, “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,” and that “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, the City Manager’s Employment Agreement further provided for a series of merit increases intended to “bring the City Manager’s salary into alignment with the current average salary of City Manager classifications in the City’s current list of comparable jurisdictions, as used for salary comparison purposes, and expressly provides that the City Manager is “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 also provides that, “the City Manager shall 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,” provided, however, that “[s]aid cost of living increases shall not exceed the annual California Consumer Price Index for Urban Wage Earners and Clerical Workers as calculated by the

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Department of Industrial Relations, unless expressly approved by the Santa Rosa City Council;”
and

WHEREAS, on July 9, 2024, the Council, by Resolution No. RES-2024-112, adopted a three-year Wages, Hours and other Terms and Conditions of Employment Agreement for Employees in the City’s Unit 10 – Executive Management plan (Unit 10 Document); and

WHEREAS, the Unit 10 Document provides for 4% cost of living salary increases for all Executive Management employees of the City (other than the City Manager and City Attorney) effective the first full pay periods following July 1, 2025 and July 1, 2026; and

WHEREAS, on June 3, 2025, the City Council considered a request made by the City Manager, in light of the City’s current and projected budget deficits, to waive (1) any merit increase she is entitled to receive in June 2025 and (2) any cost of living increase she is entitled to receive from July 2025 through July 2026; and

WHEREAS, the City Council and the City Manager wish to amend the Employment Agreement to implement the City Manager’s request.

AMENDMENT

NOW, THEREFORE, in consideration of the recitals above, it is agreed to amend the Employment Agreement for the City Manager as follows:

1. **Section 4. Salary:**

Section 4 of the Employment Agreement is hereby amended to read as follows:

“4. Salary.

a. Scheduled Increases. The City Manager’s salary shall be \$290,588 annually, effective January 1, 2023, and shall be increased thereafter as follows:

- i. Effective July 2, 2023, the City Manager’s annual salary shall be increased by a 2.5% Cost of Living Salary Adjustment, resulting in an annual salary of \$297,853 as of that date.
- ii. Effective December 3, 2023, the City Manager’s annual salary shall be adjusted by a merit increase equal to 5% of \$276,750 (\$13,838 annually), resulting in an annual salary of \$311,691 as of that date.
- iii. Effective at the beginning of the first pay period in June 2024, the City Manager’s annual salary shall be adjusted by a merit increase equal to 6% of \$276,750 (\$16,605 annually), resulting in an annual salary of \$328,296 as of that date.

- iv. The intent of the merit increases is to bring the City Manager's salary into alignment with the current average salary for City Manager classifications in the City's current list of comparable jurisdictions, as used for salary comparisons City-wide.
- v. 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. The City Manager has agreed to waive her right to receive any merit increase required by this paragraph.

b. Future Salary Adjustments.

- i. 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. The City Manager has agreed to waive her right to receive any cost of living salary increase provided to other Executive Management employees of the City from July 2025 through July 2026.
- ii. 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."

- 2. Except as set forth herein, all other terms of the Employment Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties have executed this Amendment No. 3 as of the day and year provided below.

DATED: _____

DATED: _____

MAYOR

CITY MANAGER

By: _____
Mark Stapp

By: _____
Maraskeshia Smith

APPROVED AS TO FORM:

City Attorney