

**EXHIBIT A**

**AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT**

**City Attorney**

This Amendment No. 1 is dated this \_\_\_\_\_ day of \_\_\_\_\_, 2018, between the City of Santa Rosa (“City”) and Sue Gallagher, (“City Attorney” or “employee”).

**RECITALS**

WHEREAS, the City and the City Attorney entered into an Employment Agreement dated April 18, 2017; and

WHEREAS, the City Attorney’s Employment Agreement provides that, “The City Attorney’s compensation shall change by the percentage of the cost of living salary adjustment, if any, paid to the City’s executive management employees for the 2018-19 fiscal year and each fiscal year thereafter. The City Attorney’s compensation shall also change by the benefits adjustment, if any, paid to the City’s executive management employees for the 2017-18 fiscal year and each fiscal year thereafter.”; and

WHEREAS, on July 18, 2017, the Council approved, by resolution, for the City’s executive management, a 3% cost of living salary increase and an increase of City contribution for the 2018-2019 fiscal year equal to 0.25% of base wage to employee Retiree Health Savings Plan, for a total City contribution of 0.5%, and these benefits take effect on the first full pay period following July 1, 2018; and

WHEREAS, on June 26, 2018, the Council approved for the City Attorney, by resolution, a 3% cost of living adjustment to salary and a City contribution for the 2018-2019 fiscal year in an amount equal to 0.5% of base wage, to employee Retiree Health Savings Plan.

**AMENDMENT**

NOW, THEREFORE, in consideration of the mutual benefit to be derived by the parties, it is agreed to amend the Employment Agreement for the City Attorney as follows:

1. **Section 3. Salary:**

Amendment No. 1  
Employment Agreement – Sue Gallagher

The parties hereby agree to amend Section 3 Salary, to read as follows:

“3. Salary The City Attorney’s annual compensation, including salary and benefits, shall be fixed from time to time by ordinance adopted by the City Council as required under the City Charter. The monthly salary, effective July 8, 2018, shall be seventeen thousand five hundred and ninety-five dollars and eighty-four cents (\$17,595.84). Subject to the limitations set forth in Government Code section 3511.2, the City Attorney’s compensation shall change by the percentage of the cost of living salary adjustment, if any, paid to the City’s executive management employees for the 2018-19 fiscal year and each fiscal year thereafter. The City Attorney’s compensation shall also change by the benefits adjustment, if any, paid to the City’s executive management employee for the 2017-18 fiscal year and each fiscal year thereafter. In addition, upon completion of an annual performance evaluation as set forth in section 5, the City Council shall consider whether to provide a merit increase in the City Attorney’s salary subject to the maximum salary range established for the City Attorney 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 such determinations shall be final. In setting the City Attorney’s annual compensation, the Council recognizes the City Attorney’s salary should be set at a reasonable differential higher than the salaries of the attorneys whom she supervises, giving consideration for the comprehensive responsibilities of managing the City Attorney’s Office.”

2. Section 9. Benefits

The parties hereby agree to amend Section 9 Benefits, subsection b. Retiree Health Savings Plan (RHS) to read as follows:

“b. Retiree Health Savings Plan (RHS)

A Retiree Health Savings Plan (RHS) shall be provided under the same terms it is provided to other executive management employees. Participation is mandatory and currently requires the employee to make the following monetary contributions: (1) an ongoing contribution equal to

Amendment No. 1  
Employment Agreement – Sue Gallagher

0.5% of base salary, (2) an annual contribution equal to the value of 25% of sick leave that was earned but unused in the immediate past fiscal year, and (3) upon separation, a contribution equal to the value of 50% of unused vacation. Effective the first full pay period following July 1, 2018, the City will contribute for the 2018-2019 fiscal year one-half percent (0.5%) of the City Attorney’s base wage, to her Retiree Health Savings Plan.”

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

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 as of the day and year first above written.

MAYOR

CITY ATTORNEY

By: \_\_\_\_\_  
Chris Coursey

By: \_\_\_\_\_  
Sue Gallagher

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant City Attorney