REVISED AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT

City Manager

This Revised Amendment No. 1 is dated this 30th day of August, 2016, and made between the City of Santa Rosa ("City") and Sean McGlynn ("City Manager" or "employee").

RECITALS

WHEREAS, the City and the City Manager entered into an Employment Agreement dated August 5, 2014; and

WHEREAS, the Employment Agreement between the City Manager and the City provides that, "The City Manager's compensation shall change by the percentage of the cost of living salary adjustment, if any, and benefits adjustment, if any, paid to City's executive management in the then current fiscal year, unless the Council fixes some different amount for the City Manager in advance of May 1, 2015"; and

WHEREAS, on July 26, 2016, the Council approved by resolution a 2.5% cost of living increase effective July 10, 2016, for the City's executive management; and

WHEREAS, on August 9, 2016, the Council adopted Resolution 28840 approving Amendment No. 1 to Employment Agreement – City Manager ("Amendment No. 1") to provide the City Manager with a 2.5% cost of living increase effective July 10, 2016; and

WHEREAS, Amendment No. 1 did not correctly provide for a 2.5% cost of living increase in the City Manager's salary as intended by Council.

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 Manager as follows:

1. <u>Section 3. Salary:</u>

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

"3. <u>Salary</u>. The City Manager'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. Effective July 10, 2016, the base monthly salary shall be \$18,801.00. The City Manager's compensation shall change by the percentage of the cost of living salary adjustment, if any, and

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> benefits adjustment, if any, paid to City's executive management in the then current fiscal year, unless the Council fixes some different amount for the City Manager in advance of July 1st. In setting the City Manager's annual compensation, the Council recognizes that the City Manager's salary should be set at a reasonable differential higher than executive management employees that report directly to the City Manager, giving consideration for the comprehensive responsibilities of managing the entire city operation."

- 2. Amendment No. 1, attached as Exhibit A to Resolution 28840, is hereby rescinded and replaced by this Revised Amendment No. 1.
- 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 Revised Amendment No. 1 as of the day and year first above written.

MAYOR

CITY MANAGER

By:

John Sawyer

By:

Sean McGlynn

APPROVED AS TO FORM:

Teresa Stricker, Interim City Attorney