EXHIBIT A

AMENDMENT NO. 3 TO EMPLOYMENT AGREEMENT

City Manager

This Amendment No. 3 is dated this _____ day of _____, 2018, 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, on August 30, 2016, the Council approved by resolution revised Amendment No. 1 to Employment Agreement; and

WHEREAS, on December 5, 2017, the Council approved by resolution RES-2017-233, Amendment No. 2 to the Employment Agreement; and

WHEREAS, the City Manager's Employment Agreement, as amended, provided 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 current fiscal year, unless the Council fixes some different amount for the City Manager in advance of July 1st"; 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 Manager, by resolution, a 3% cost of living adjustment to salary and an increase to City contribution for the 2018-2019 fiscal year in an amount equal to 0.25% of base wage, to employee Retiree Health Savings Plan, for a total City contribution of 0.50%, to take effect on July 8, 2018.

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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 8, 2018, the base monthly salary shall be \$19,946.00. 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 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. <u>Section 9. Benefits</u>

b. Retiree Health Savings Plan (RHS)

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 consistent with that of other executive management employees. Participation is mandatory and currently requires the employee to make the following monetary contributions: (1) an ongoing contribution equal to 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 earned, and (3) upon separation, 50% of unused

Amendment No. 3 Employment Agreement – Sean McGlynn

vacation. Effective the first full pay period following July 1, 2018, the City will increase its contribution for the 2018-2019 fiscal year in an amount equal to one-quarter percent (0.25%) of the City Manager's base wage to his Retiree Health Savings Plan for a total contribution of one half percent (0.5%) of base wage.

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. 3 as of the day and year first above written.

MAYOR

CITY MANAGER

By:

Chris Coursey

By:

Sean McGlynn

APPROVED AS TO FORM:

City Attorney