

RESOLUTION NO. RES-2023-087

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING AMENDMENT NO. 2 TO THE CITY'S EMPLOYMENT AGREEMENT WITH CITY MANAGER TO PROVIDE (1) A 5% MERIT INCREASE IN SALARY EFFECTIVE JANUARY 1, 2023, (2) A 2.5% COST OF LIVING SALARY ADJUSTMENT EFFECTIVE JULY 2, 2023, (3) A MERIT INCREASE EQUAL TO 5% OF \$276,750 EFFECTIVE DECEMBER 3, 2023, (4) A MERIT INCREASE EQUAL TO 6% OF \$276,750 EFFECTIVE AT THE BEGINNING OF THE FIRST PAY PERIOD IN JUNE, 2024, (5) AN ADDITIONAL MERIT INCREASE IN JUNE 2025 IF AND AS NEEDED TO ALIGN THE CITY MANAGER'S SALARY WITH THE THEN-AVERAGE CITY MANAGER SALARY IN COMPARABLE JURISDICTIONS, (6) AN ENHANCED WELLNESS BENEFIT OF \$4,800 YEARLY EFFECTIVE JANUARY 1, 2023, (7) A FIVE YEAR CONTRACT TERM, AND (8) AN OPPORTUNITY TO EXPLORE HOUSING LOAN OPTIONS IN FUTURE YEARS

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, the Council, by resolution, approved Amendment No. 1 to the Employment Agreement; and

WHEREAS, the City Manager's Employment Agreement states, "The City Manager shall receive cost of living increases in salary, in accordance with the cost of living increases subsequently provided to other Executive Management employees of the City pursuant to the City's Compensation Plan for Executive Management employees;" and

WHEREAS, the City Manager's Employment Agreement also states, "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 November 9, 2021, 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 for a 2.5% cost of living salary adjustment effective July 2, 2023; and

WHEREAS, the Council has completed the City Manager's annual performance evaluation and Council indicates universal appreciation for the City Manager.

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. 2 to the City Manager's Employment Agreement, attached hereto as Exhibit A, providing the following:

- (1) **Term:** The Employment Agreement, currently an open-ended contract, with no defined term, shall be amended to provide for a defined term extending approximately five years to the City Manager's anniversary date of January 3, 2028;
- (2) **Salary:**
 - a. Effective January 1, 2023, the City Manager shall receive a 5% merit increase in salary, resulting in an annual salary of \$290,588 as of that date; and
 - b. Effective July 2, 2023, the City Manager's salary shall be increased by a 2.5% Cost of Living Salary Adjustment, in accordance with the Unit 10 Agreement; and
 - c. Effective December 3, 2023, the City Manager's annual salary shall be adjusted by a merit increase equal to 5% of \$279,750 (\$13,838 annually); and
 - d. Effective 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); and
 - e. The intent of the foregoing 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; and
 - f. The City Manager will be entitled to receive an additional merit increase in June, 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.
- (3) **Wellness:** Effective January 1, 2023, the City Manager shall receive \$400 monthly (\$4,800 annually) to assist in health and wellness costs. The City Manager shall not in addition receive the \$500 annual wellness payment provided to other Executive Staff employees.
- (4) **Potential Housing Loan:** The City Manager will explore options for a housing loan with the City's Finance Department, tax advisor and City Attorney. The Council may review and make a policy decision regarding a possible housing loan in future years.

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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 23rd day of May, 2023.

AYES: (5) Mayor N. Rogers, Council Members Alvarez, Fleming, Okrepkie, Stapp

NOES:

ABSENT: (2) Vice Mayor MacDonald, Council Member C. Rogers

ABSTAIN:

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney

Exhibit A – Amendment No. 2 to Employment Agreement