

**FIRST AMENDMENT TO  
CITY MANAGER EMPLOYMENT AGREEMENT**

This First Amendment to City Manager Employment Agreement ("Agreement") is entered into by and between the City of Fort Bragg ("City") and Tabatha Miller ("City Manager"), and shall be effective as of May 24, 2020. Collectively, City and City Manager are referred to as the "Parties."

WHEREAS, on February 14, 2018, City and City Manager entered into an Agreement whereby the City Manager was employed by the City to serve as its City Manager; and

WHEREAS, on July 1, 2019, the Parties to the Agreement entered into a new Employment Agreement modifying certain terms of the Agreement; and

WHEREAS, on March 18, 2020, the Mendocino County Health Official issued a Shelter-in-Place Order to respond to the COVID-19 pandemic, which order has been revised several times but remains in place; and

WHEREAS, on March 19, 2020, the Governor issued Executive Order N-33-20 which orders California Residents to stay at home except for certain critical activities. Due to directives from federal, state, and local health officers, residents have been advised to avoid public gatherings and stay at home to prevent the spread of this disease; and

WHEREAS, the City, County and State economies have been significantly impacted by these "Shelter-in-Place" orders and the shutdown of nonessential businesses; and

WHEREAS, in response to the COVID-19 pandemic, the City found it necessary to reduce staff levels through a combination of layoffs and furloughs; and

WHEREAS, the City Manager volunteered to reduce her salary; and

NOW, THEREFORE, for the aforementioned reasons, the Parties hereby amend the Agreement of July 1, 2019 as follows:

1. Section 4(A)(1) is amended as follows:

1. The annual base salary for the position of City Manager shall be temporarily and voluntarily reduced from \$152,603.00 to \$142,603.00, effective May 24, 2020. This voluntary salary reduction is in response to the economic impact of COVID-19 and shall expire on May 22, 2021. This salary may be increased or decreased by additional amendment to the Agreement as appropriate based on future circumstances.

2. Section 4(B)(4)(b) is amended as follows:

(b) Vacation Leave: Vacation hours shall accrue at a rate of 120 hours per year. The vacation hours' accrual rate shall increase to 160 hours per year upon the anniversary of City Manager's 10th year of service, and increase to 200 hours per year at 15 years of service. City Manager accrual of vacation hours shall be capped at 360-450 hours. Accrued vacation time may be used, at a minimum, in blocks of one (1) hour or more. The date of vacation may be selected by the City Manager. Once during each

fiscal year, a maximum of 80 hours of vacation leave may be cashed in. At the time the cash-in option is exercised, the City Manager must retain a minimum of 40 hours of vacation leave.

3. Section 5(C)(1) is amended as follows:

1. In the event the City Manager is terminated by the City Council during such time that the City Manager is willing and able to perform the City Manager's duties under this Agreement, the City shall pay the City Manager a lump sum cash payment equal to the lesser of (a) the actual number of months' salary remaining on the current term of employment at the rate prior to the May 24, 2020 voluntary salary reduction in response to the economic impact of COVID-19 and the cash equivalent of health (medical, dental and vision) benefits for that same period, or (b) six (6) months' base salary at the rate prior to the May 24, 2020 voluntary salary reduction in response to the economic impact of COVID-19 and cash equivalent of health (medical, dental and vision) benefits then in effect as provided in Section 4 above. It is the intention of the parties that this paragraph complies with the requirements of Government Code Section 53260 et seq. In the event of any conflict between this provision and those code sections, the terms of those code sections shall govern the contractual relationship between the employer and employee.

4. Section 5(F)(1) is amended as follows:

1. On separation from City employment, the City Manager shall be paid for all unused accrued leave allowances provided in Section 4.B. Accumulated leave balances shall be paid at the City Manager's monthly base salary rate at the effective date of separation prior to the May 24, 2020 voluntary salary reduction in response to the economic impact of COVID-19.

5. Except as expressly amended herein, the Employment Agreement between City and City Manager dated July 1, 2019, is hereby reaffirmed.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment the day and year first written above.

Dated: \_\_\_\_\_

By \_\_\_\_\_

William V. Lee, Mayor  
City of Fort Bragg

Dated: \_\_\_\_\_

By \_\_\_\_\_

Tabatha Miller  
City Manager