



STAFF REPORT

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

MEETING DATE: FEBRUARY 2, 2026

FROM: DEREK COLE, CITY ATTORNEY

SUBJECT: SECOND AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

Background and Analysis

The City Manager began employment on November 7, 2023. His Employment Agreement entitled him to receive a loan of \$2,500 per month for the first 12 months of his employment. This loan was styled as a housing allowance. The Employment Agreement provided the loan need not be repaid until the end of the Manager's third year of employment (though he would have had to pay it back in full if he leaves employment sooner). The City Manager has fully repaid this loan.

Now that the housing loan has been repaid, the proposed amendment to the City Manager agreement would allow the City Manager to continue receiving housing assistance in the form of \$1,250 per month. This amount would not be characterized as a loan or as payment toward any loan but would be a form of additional compensation for the City Manager's employment.

The proposed amendment also authorizes the City Manager to engage in a remote-work schedule in which he works at City Hall three days in one week and four days at City Hall the following week. The City Manager would be required to consult with the Mayor to set the days he works remotely.

Fiscal Impact

If this amendment is approved, the City Manager will receive \$15,000 per year in the form of housing assistance.

ATTACHMENTS:

1. Proposed Resolution
2. Proposed Amendment to City Manager Agreement