

THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

This THIRD AMENDMENT to the EMPLOYMENT AGREEMENT dated August 24, 2015 ("Agreement") between the City of Redwood City, a Charter City and Municipal Corporation of the State of California ("City"), and Melissa Stevenson Diaz ("Employee") is entered into as of the 15th day of October, 2018.

WHEREAS, in conformance with its performance review and compensation program for its appointees, the City Council has evaluated salary survey data of comparable positions in benchmark cities, and wishes to adjust Employee's salary accordingly as well as acknowledge Employee's performance.

WHEREAS, it is now the mutual desire and intent of the parties to amend the Agreement to increase Employee's annual salary to \$295,006.

NOW THEREFORE, in consideration of the mutual covenants contained in the original Agreement and as provided herein, the Agreement is AMENDED to read as follows:

1. Section 3 of the Agreement, entitled "**Compensation & Benefits**," is hereby deleted and replaced with Section 3 below.

3. COMPENSATION & BENEFITS

- A. Employee shall be paid two hundred and ninety-five thousand and six dollars (\$295,006) per year, payable in installments at the same time other City executive management employees are paid. Hereafter, the City Council may adjust Employee's salary by resolution.
- B. The City Council shall conduct an annual evaluation each year and may also conduct quarterly evaluations. The evaluation process shall address goals and objectives set for the past twelve-month period and establish goals and objectives for the upcoming 12-month period. The City Council shall provide employee with its written comments, if any, during its annual evaluation of Employee, and may discuss its evaluation with Employee. At the time of evaluation, the City Council will consider performance-based salary adjustments. The City Council shall also provide an informal mid-year performance review of the Employee after her first six months of employment.
- C. Employee shall be entitled to the benefits specified in City of Redwood City Executive Management Summary of Benefits (Dated July 1, 2018), as it may be amended from time to time, and which is attached hereto as **Exhibit A** and incorporated herein by reference, except that Employee's annual professional development allowance shall be two thousand four hundred dollars (\$2,400). Employee's annual

This Third Amendment has been executed by the parties on the dates noted below.

EMPLOYEE:

Melissa Stevenson Diaz
MELISSA STEVENSON DIAZ

Dated: 12/5/18

CITY OF REDWOOD CITY:

Ian Bain
IAN BAIN, MAYOR

Dated: 12/10/18

ATTEST:

Pamela Aguilar
PAMELA AGUILAR, CITY CLERK

Dated: 12.11.18

APPROVED AS TO FORM:

Veronica Ramirez
VERONICA RAMIREZ, CITY ATTORNEY

Dated: 12/7/18