

Second Amendment to City Manager Employment Contract

This Second Amendment to Contract by and between the City of Watsonville (hereafter the "City") and Matthew Huffaker (hereafter "Huffaker") is made and entered into effective when approved and signed by the City Council and Huffaker.

RECITALS

WHEREAS, Huffaker is qualified under the City Charter to serve as City Manager; and

WHEREAS, Huffaker has been employed by the City pursuant to a City Manager Employment Contract approved by Council Resolution 89-18 (CM) on June 12, 2018, effective the same date.

WHEREAS, a First Amendment to City Manager Employment Contract was approved by Council Resolution 116-19 on July 9, 2019, effective the same date.

WHEREAS, the Mayor appointed an ad hoc City Manager Negotiating Committee consisting of Mayor Jimmy Dutra, Mayor Pro Tempore Ari Parker and Council Member Rebecca Garcia to negotiate an amendment to Huffaker's terms and conditions of employment, and

WHEREAS, the ad hoc City Manager Negotiating Committee and Huffaker have reached agreement on terms which the ad hoc City Manager Negotiating Committee recommends to the Council, and

WHEREAS, the Council has conducted an annual evaluation of Huffaker's performance for the June 2020 to July 2021 year and the Council found Huffaker's performance to be satisfactory in accordance with his employment contract, and

WHEREAS, this amendment to the employment contract is entered into pursuant to Section 2-3.1 et seq. of the Watsonville Municipal Code and Article VII commencing with Section 700 of the City Charter.

NOW THEREFORE, City and Huffaker, for the consideration, according to the terms and subject to the conditions contained herein, agree to the following amendments:

3. TERM

"Section 3. Term" is deleted in its entirety and replaced with the following:

The City agrees and hereby employs Huffaker as City Manager for five (5)

additional years through June 30, 2027.

5. COMPENSATION

The second subdivision of Section 5. Compensation, Base Salary is replaced with the following:

For and in consideration of Huffaker's time and satisfactory performance of the duties required of Huffaker, and following an annual satisfactory performance review by a majority of the Council, the City shall pay to Huffaker a yearly base salary as outlined below:

FY 2021-22 (FOURTH YEAR BASE SALARY)

From the Period July 1, 2021, through and including June 30, 2022, of Two Hundred Thirty Thousand Dollars (\$230,000) per year paid in the same manner as other executive management employment group employees.

Huffaker shall also receive a cost-of-living adjustment (COLA) of 2.5% (two and one half percent), and a one-time payment of \$1,000, consistent with compensation provided to other executive, management, and miscellaneous employees.

Total 2021-2022 Annual Base Salary: [$\$230,000 \times 2.5\% = \$235,750/\text{YEAR}$]

Increases will go into effect the first full pay period following July 1, 2021.

FY 2022-23 (FIFTH YEAR BASE SALARY)

From the Period July 1, 2022, through and including June 30, 2023, of Two Hundred Thirty Five Thousand, Seven Hundred Fifty Dollars (\$235,750) per year paid in the same manner as other executive management employment group employees.

Huffaker shall also receive a cost-of-living adjustment (COLA) of 2.5% (two and one half percent), consistent with compensation adjustments for other executive management and miscellaneous employees.

Total 2022-2023 Annual Base Salary [$\$235,750 \times 2.5\% = \$241,643/\text{YEAR}$]

Increases will go into effect the first full pay period following July 1, 2022.

FY 2023-24 (SIXTH YEAR BASE SALARY) THROUGH FY 2026-27 (NINTH YEAR BASE SALARY) Huffaker and the Council shall negotiate base salary adjustments, upon successful annual performance review.

All other terms and conditions of the Contract, dated June 12, 2018 and the First Amendment, dated July 9, 2019, unless specifically changed by the Second Amendment, are hereby ratified and affirmed and shall remain in full force and effect.

Matthew D. Huffaker, City Manager

Jimmy Dutra, Mayor

Dated: July ____, 2021

Dated: July ____, 2021

ATTEST:

Beatriz Vázquez Flores, City Clerk

APPROVED AS TO FORM:

Alan J. Smith, City Attorney