



CITY COUNCIL STAFF REPORT

ITEM NO. 8.1

DATE: October 26, 2026

TO: Honorable Mayor and City Council

FROM: Dustin J. Claussen, Administrative Services Director

SUBJECT: Resolutions approving amendments to the City Manager's and City Attorney's employment contracts and approving the City of Livermore Salary Plan as of November 16, 2026, in accordance with the California Code of Regulations, Title 2, Section 570.5.

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Adopt a resolution approving an amendment to the City Manager's employment contract.
2. Adopt a resolution approving an amendment to the City Attorney's employment contract.
3. Adopt a resolution amending the City of Livermore Salary Plan as of November 16, 2026, in accordance with the California Code of Regulations, Title 2, Section 570.5.

SUMMARY

Staff recommends the amendments to the contract of the City Manager and City Attorney and the following changes to the Salary Plan:

1. Incorporate wage related adjustments for the City Manager based on the new contract amendment effective November 16, 2026;
2. Incorporate wage related adjustments for the City Attorney based on the new contract amendment effective November 16, 2026;
3. Incorporate wage related adjustments for the Executive Management classifications (excluding the Police Chief) effective November 16, 2026;
4. Incorporate minimum wage increase to \$17.40 per hour for the following classifications: Department Assistant (Class Code 8205), Field/Maintenance Aide (Class Code 8205), Law Clerk (Class Code 8210), Library Aide (Class Code 8215), and Police Cadet (Class Code 8220) effective December 28, 2026;
5. Retitle Maintenance and Golf Operations Manager (Class Code 2125) to Maintenance Services Manager.

DISCUSSION

City Manager

The current City Manager employment contract dated October 31, 2023, indicates the City Council shall review the performance of the City Manager annually and may make modifications to terms and conditions of employment, as deemed appropriate based on performance of duties. As such, the City Council met in Closed Session with the City Manager on October 12, 2026, to discuss her performance evaluation. Prior to that discussion, the City Manager, via memo to the City Council, requested modifications to terms and conditions relevant to her employment contract. At the Closed Session, the City Council discussed the City Manager's request and directed that the draft amendment to the City Manager's employment contract be placed upon this agenda for City Council consideration.

Council approval would be the third amendment to the current contract dated October 31, 2023, to add the following material change: provide an increased contribution of \$346.15 per pay period (\$9,000 annually) to the City Manager's deferred compensation. In addition, the City Manager's existing contract already grants the same annual cost of living adjustment (COLA) that is provided to the Livermore Managers Group (LMG), which is 4% in 2026 bringing the City Manager's annual base salary to \$408,610.80. The contract amendment will be effective November 16, 2026.

City Attorney

The City Attorney's employment contract dated September 9, 2025, indicates that the City Council shall conduct an annual performance evaluation. The City Council met in closed session with the City Attorney on October 12, 2026, to discuss her performance evaluation. At the closed session City Council agreed to add a clause similar to that in the City Manager's contract that will grant the same annual cost of living adjustment (COLA) that is provided to the Livermore Managers Group (LMG), which is 4% in 2026. The Council also agreed to provide a merit increase of 2% bringing the City Attorney's annual base salary to \$354,236.

In addition, the Council agreed to an increased contribution of \$191 per pay period (\$4,966 annually) to the City Attorney's deferred compensation. The Council also agreed to increase the City Attorney's vacation accrual rate from a rate of 135.98 to 192.40 hours per year, in recognition of her years of public service. At the City Attorney's current rate, this has an annual cost of \$9,609. The contract amendment will be effective November 16, 2026.

Salary Plan

Staff recommends the following changes to the Salary Plan:

1. The City Manager's employment contract includes a provision aligning her cost-of-living adjustments with those negotiated by the Livermore Management Group (LMG). Accordingly, the City Manager will receive a 4% increase effective November 16, 2026.
2. As part of the current contract negotiations, the City Attorney negotiated a provision aligning future cost of living adjustments with those negotiated by LMG. This results in a 4% salary increase effective November 16, 2026.
3. Salary adjustments for the City's Executive Management classifications (excluding the Police Chief) follow those received by LMG. Effective November 16, 2026, Executive Management classifications (excluding the Police Chief) will receive a 4% increase.
4. On July 31, 2026, the California Director of the Department of Finance certified that based on the annual inflation rate from 7/1/25 to 6/30/2026, under Labor Code Section 1182.12(c)(3)(A), the state hourly minimum wage must be increased effective January 1, 2027, to \$17.40/hour. The minimum

salaries for the classifications of Department Assistant (Class Code 8205), Field/Maintenance Aide (Class Code 8205), Law Clerk (Class Code 8210), Library Aide (Class Code 8215), and Police Cadet (Class Code 8220) will increase from \$16.90/hour to \$17.40/hour effective December 28, 2026. There are currently 56 employees affected by this increase.

5. The Maintenance and Golf Operations Manager (Class Code 2125) was retitled to Maintenance Services Manager to reflect the restructuring of the maintenance division into internal and external operations and to encompass the responsibilities of both operational areas.

FISCAL AND ADMINISTRATIVE IMPACTS

The fiscal impact of the salary increases to the City Manager, City Attorney, Executive Classifications, and minimum wage increases are approximately \$191,644, much of which has already been included in the City's fiscal year 2026/27 Operating Budget, the remaining amount will be absorbed in the current budget. This action does not require an additional appropriation from the Council.

COMMUNITY PILLAR

5: A City That Works

ATTACHMENTS

1. Resolution - City Manager
2. Exhibit A - City Manager 2026 Amendment to Employment Contract
3. Resolution - City Attorney
4. Exhibit A - City Attorney 2026 Amendment to Employment Contract
5. Resolution - Salary Plan
6. Exhibit A - Salary Plan Dated November 2026

Prepared by: Dustin Claussen
Administrative Services Director

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Dustin Claussen
Administrative Services Director