AMENDMENT TO EMPLOYMENT AGREEMENT BETWEEN THE CITY OF UKIAH AND SAGE SANGIACOMO

INTRODUCTION

This Amendment is entered into by the City of Ukiah (City) and Sage Sangiacomo (Manager) and amends their 2015 Employment Agreement (Agreement). The parties agree as follows:

1. TERM

Section 1 of the Agreement is replaced in its entirety with the following:

This Agreement shall continue through December 9, 2028, unless terminated earlier under its terms or extended by written amendment approved by the City Council and signed by both parties. The Agreement shall expire at the end of that date without automatic renewal. The parties acknowledge that this Amendment also serves as Manager's advance notice of retirement upon expiration of the Agreement, in compliance with Section 5.B.

2. SEVERANCE

Section 6.B of the Agreement is replaced in its entirety with the following:

B. Severance pay shall equal twelve (12) months' salary at the then current rate of base salary. This severance shall be paid in a lump sum or as continuation payments of salary and benefits on the usual pay schedule, at the Manager's option.

Severance pay shall increase to eighteen (18) months' salary at the then current rate of base salary if the City Council approves Manager's termination without cause during the period beginning the day after a general municipal election at which one or more City Council members are elected and ending on June 30 of the following year. The Council approval date controls, even if termination takes effect after June 30. This severance shall be paid in a lump sum or as continuation payments of salary and benefits on the usual pay schedule, at Manager's option. The purpose of this provision is to encourage continuity following a general municipal election and provide newly elected Council members an opportunity to observe and evaluate the Manager's performance.

If Manager elects continuation payments, City shall continue Manager's existing benefits for the period covered by severance or until Manager obtains other employment, whichever occurs first.

Manager may, at any time during the severance period, elect in writing to receive the unpaid balance of severance in a lump sum, payable on the next regular payday following City's receipt of the election. This election shall not change the total amount due.

In no event shall total severance, not inclusive of accrued leave benefits, exceed the base salary Manager would have earned, at the rate in effect immediately before termination, from the day after the effective date of termination through the expiration date in Section 1. The period of continuation payments and benefits shall not extend beyond that expiration date in Section 1.

Expiration of the Agreement does not entitle Manager to severance.

3. ACCRUED LEAVE

The following Section 6.D is added to the Agreement:

D. Upon separation from City employment, the City shall pay Manager one hundred percent (100%) of all accrued and unused leave, including vacation, sick, and executive leave, except as provided below for unused sick leave. Payment shall be at Manager's final straight-time base hourly rate.

Before payment, Manager may elect in writing to apply eligible unused sick leave toward CalPERS service credit as permitted by applicable retirement rules. Hours applied to service credit shall not also be paid in cash by the City.

On the expiration date specified in Section 1 of the Agreement, unused sick leave may be applied only toward service credit.

Leave payments are in addition to severance and shall not reduce severance or be reduced because of the remaining contract term, subject to mandatory statutory limits.

4. CONTINUING TERMS

Except as amended above, the Agreement remains in full force and effect. This Amendment controls over conflicting provisions of the Agreement and takes effect on the date of the last signature below, provided it has been approved by the City Council.

The parties execute this Amendment as follows:

City of Ukiah:

SUSAN SHER
SUSAN SHER (Nov 6, 2026 09:09:57 PST)

Susan Sher, Mayor
Date: 11/06/2026

Manager:

Sage Sangiacomo
Date: 11/06/2026

Approved as to Form:

Darcy Vaughn
Darcy Vaughn (Nov 5, 2026 16:48:50 PST)

Darcy Vaughn, City Attorney

Attest:

Kristine Lawler, City Clerk