

**CITY OF SEBASTOPOL CITY COUNCIL
AGENDA ITEM REPORT FOR MEETING OF: May 5, 2026**

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To: Honorable Mayor and City Councilmembers
From: Kerrie McNally, Labor Counsel
 Deborah Muchmore, Human Resources Advisor, MTC
Responsible Department: Interim City Manager
Subject: Approval of Amendment of Contract for Police Chief for Compensation of 3% for Cost of Living Adjustment

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RECOMMENDATION: Approve A Resolution of the City Council of the City Of Sebastopol Approving and Adopting an Amendment to the Employment Agreement for Professional Services Chief of Police, effective July 1, 2026 for Compensation of 3% for Cost of Living Adjustment

PROCESS OF AGENDA ITEM:

- a. Introduction of agenda item by Human Resources Consultant Deborah Muchmore
- b. Questions and discussion from Councilmembers
- c. Open for Public Comment
- d. Council Discussion
- e. Motion/Action on Item

EXECUTIVE SUMMARY: The City of Sebastopol (“City”) and Sean McDonagh (“Employee”) have had an Employee Agreement (“Agreement”) since March 5, 2025. The Agreement is for three years and extends through March 4, 2028, with no provision for increases. Approval of this Resolution provides a 3% Cost of Living Adjustment (COLA) on base salary, effective July 1, 2026.

BACKGROUND: The City and Employee entered into an Employment Agreement for the position of Chief of Police on March 5, 2025. The agreement is attached as Resolution Attachment 1, Exhibit B.

DISCUSSION:

Sean McDonagh has served the City and community as Chief of Police, reporting to the City Manager for the last fourteen months. Community members have shared with staff and Council members that Sean is approachable, personable, and maintains a visible presence in the community. The City has recently provided similar increases to represented employee groups, including the Sebastopol Police Officers’ Association. Amendment 1 of the Agreement between City and Employee provides for a 3% COLA, effective July 1, 2026.

The following paragraph must be read out loud before taking action on any motion.

Approval of this item and Adoption of Amendment 1 allows execution of Amendment 1 to the Agreement between the City and Employee, Sean McDonagh, as Chief of Police, and amends the terms of the agreement to:

- Provide a Cost of Living Adjustment, increasing salary by 3%, effective July 1, 2026.

STAFF ANALYSIS: Staff recommend Approval and Adoption of Amendment 1 of the Agreement between Sean McDonagh and the City of Sebastopol. Funding for the proposed 3% COLA is included in the City’s proposed FY 2026–27 budget.

PUBLIC COMMENT: As of the writing of this staff report, the City has not received any public comment on this item. However, if staff receives public comment from interested parties following the publication and distribution of this staff report, such comments will be provided to the City Council as supplemental materials before or at the meeting.

COMMUNITY OUTREACH: This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

FISCAL IMPACT: The proposed cost-of-living adjustment for the Chief of Police position includes \$6,280 for salary adjustments and \$925 for associated workers’ compensation and general liability costs. This fiscal impact is incorporated into the FY 2026–27 Proposed Budget, for a total estimated cost of \$7,200 for the upcoming fiscal year.

RESTATED RECOMMENDATION: That the City Council approve a Resolution of the City Council of the City of Sebastopol amending the agreement between the City of Sebastopol and Sean McDonagh, Chief of Police, as included in Attachment 1, Resolution Exhibit A. for Compensation of 3% for Cost of Living Adjustment.

OPTIONS:

- 1) That the Council deny the request for a 3% COLA;
- 2) That the Council deny the request for a 3% COLA and provide direction to staff

ATTACHMENTS:

Resolution/Amendment to Agreement

APPROVALS:

Department Head Approval: Approval Date: 4-29-2026

CEQA Determination (Planning): Approval Date: N/A

The proposed action is / is not exempt from the requirements of the California Environmental Quality Act (CEQA)

Administrative Services/Financial Approval: Approval Date: _____

Costs authorized in City Approved Budget: Yes No N/A

Account Code (f applicable) _____

City Attorney Approval: Approval Date: 4-29-2026

City Manager Approval: Approval Date: 4-29-2026

RESOLUTION NUMBER: XXXX-2026

CITY OF SEBASTOPOL

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL
(Employer Hiring Authority: City Manager)

WHEREAS, Sean McDonagh (“Employee”) currently serves as the City of Sebastopol Chief of Police; and

WHEREAS, it is the desire of the City Council of the City of Sebastopol (“City”) to continue to employ the Employee; and

WHEREAS, the City recently approved 3% cost-of-living adjustments (COLAs) for its represented employee groups (SPOA and SEIU); and

WHEREAS, to promote internal equity and maintain competitiveness in the regional labor market, the City desires to provide a comparable 3% COLA for Employee; and

WHEREAS, said amendment to the Employment Agreement is a 3% Cost of Living Increase effective July 1, 2026; and

WHEREAS, any changes to the Agreement shall be approved by the City Council.

NOW THEREFORE, BE IT RESOLVED, for and in consideration of the covenants and mutual promises therein, the Parties agree to Amendment 1 of the Agreement as listed in Exhibit A.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the City of Sebastopol City Council by the following vote:

VOTE:

Ayes:

Noes:

Absent:

Abstain:

APPROVED:

Jill McLewis, Mayor

ATTEST:

Mary Gourley, City Manager/Interim City Manager /City Clerk, MMC

APPROVED AS TO FORM:

Alex Mog, City Attorney

Exhibits: A – Amendment 1, B – Original Agreement

EXHIBIT A

AMENDMENT NUMBER 1 TO AGREEMENT FOR PROFESSIONAL SERVICES

WHEREAS, Sean McDonagh (“Employee”) and the City of Sebastopol (“City”) entered into an Agreement for Professional Services, dated March 5, 2025 (“Agreement”) for the purpose of employing Employee as the Chief of Police;

WHEREAS, Employee and the City (collectively “the Parties”) desire to restate the employment terms of the Agreement; and

WHEREAS, except as expressly stated herein, the terms of the Agreement, shall remain in full force and effect for the duration of this First Amendment to Agreement (“First Amendment”);

NOW THEREFORE, THE PARTIES AGREE:

1. **Compensation:** Effective July 1, 2026, Employee’s annual base salary shall be increased by a 3% Cost of Living Adjustment.

Except as provided herein, all remaining terms of the Agreement shall remain in full force and effect.

This Amendment Number 1 is agreed to this 5th day of May, 2026

CITY OF SEBASTOPOL

By:

Mary Gourley, City Manager/
Interim City Manager/City Clerk

Sean McDonagh, Chief of Police

EXHIBIT B

[ORIGINAL AGREEMENT]

EMPLOYMENT AGREEMENT—CHIEF OF POLICE
CITY OF SEBASTOPOL

This Agreement (“Agreement”) is entered into on March 5, 2025, by and between the CITY OF SEBASTOPOL, a municipal corporation (“City”), and SEAN MCDONAGH (“Chief” together with the City “the Parties”).

1. EMPLOYMENT.

City Manager, by its City Council, hereby employs Chief to serve as Sebastopol’s Chief of Police, which is an “at will” position excluded from the classified service. Chief understands and agrees that he has no constitutionally protected property or other interest in his employment as the Sebastopol Chief of Police. Chief understands and agrees that he serves at the pleasure of the City Manager and may be terminated or asked to resign at any time, with or without cause.

2. TERM/TERMINATION/SEVERANCE.

A. The term of this Agreement shall begin on March 5, 2025, and shall remain in effect for three years unless terminated pursuant to this Agreement. The term of this Agreement may be extended thereafter by mutual written agreement.

B. Resignation. Chief may terminate his employment by delivering to the City Manager a written resignation which will become effective sixty days (60) following delivery of the resignation unless waived by the City Manager. From the date upon which Chief resigns until the actual date upon which the resignation becomes effective, Chief shall continue to devote his full time, attention, and effort to the duties anticipated hereunder and shall perform the same in a professional and competent manner.

C. Mutual Agreement. The Parties may mutually agree to terminate the employment of Chief. Upon agreement to terminate the employment of the Chief and until the effective date of the termination of this Agreement, Chief shall continue to devote his full time, attention, and effort to the duties anticipated hereunder and shall perform the same in a professional and competent manner.

D. Termination Without Cause & Severance. Termination of Chief’s employment without cause may be affected by the City Manager giving thirty (30) days’ prior written notice to Chief. Upon such termination, Chief shall be entitled to additional salary equal to that which would accrue during thirty (30) calendar days following the Chief’s termination date plus the cash equivalent of all accumulated vacation as of the day of termination. Chief’s acceptance of said severance pay shall constitute a final settlement and satisfaction of all claims of Chief against the City arising out of his employment.

E. Termination With Cause. The City Manager may terminate Chief’s employment for cause at any time by giving notice of termination and an opportunity to respond to the allegations prior to termination. Cause includes, but is not limited to: unauthorized absence; conviction of a felony or of any criminal act involving moral turpitude; hostile and discourteous treatment of employees;

mismanagement of City funds; conduct which brings discredit to the City; disorderly conduct; incapacity due to mental or physical disability to the extent permitted by law; willful concealment or misrepresentation of material facts in applying for or securing employment; willful disregard of a lawful order from a duly constituted authority; willful disregard of a City policy and/or laws regarding the confidentiality of records; using, being in possession of, or being under the influence of or abuse of alcohol, narcotics, intoxicants, drugs, or hallucinatory agents during working hours or reporting to work under such conditions; negligence or willful damage to public property or waste or theft of public supplies or equipment; repeated refusal to comply with a proper directives of the City Manager; falsification of any records; making material dishonest work-related statement to other employees at work or committing perjury; willful carelessness or violation of safety rules and regulations which jeopardize the safety of others and/or which could result in bodily injury to others or damage to City property; and sexual or other unlawful harassment of or unlawful discrimination against another employee or applicant for employment, or volunteer or intern.

3. DUTIES.

The City employs Chief to provide any and all work necessary to act as Chief of Police as set forth in the Chief of Police job classification specification attached and incorporated herein as Exhibit A, which may be amended by Council action from time to time. Chief shall be a department head of the City and be responsible to the City Manager for the proper administration of all affairs and day-to-day activities of the staff and operations of the Police Department.

4. COMPENSATION.

During his term of employment, Chief's base annual salary shall be \$174,896. This amount is subject to authorized or required deductions and withholdings and is paid on the City's regular paydays every two weeks. Chief may be considered for an advancement along the salary range of the position based successful performance per the City's Personnel Rules Article V Section B. Chief is an exempt employee under applicable wage and hour law and his base salary shall be compensation for all hours worked.

The City shall also provide to Chief a cellular telephone and laptop at City expense which shall remain the property of the City.

5. BENEFITS

Chief shall receive the following benefits:

- **CalPERS Retirement Plan Membership:** CalPERS determines a member's retirement level. PEPPRA employees pay 50% of the normal cost of retirement, the employee share in 2025 is 7.87%.
- **Health Insurance:** City-paid Kaiser HMO with the option for Chief to pay the difference and enroll in Anthem Blue Cross Health Plan instead. If Chief provides proof of other health coverage and chooses not to enroll in health care through the City of Sebastopol, Chief will be eligible for 20% of the plan Chief qualifies for as an in-lieu payment.
- **Dental and Vision Coverage:** The City will provide dental and vision insurance for Chief and his eligible dependents, without premium cost to Employee.

- Sick Leave: Chief will accrue sick leave as laid out in the City's Personnel Rules which currently provide 120 hours per year or 10 hours a month (4.6154 hours a pay period).
- Vacation: Chief will be eligible to accrue vacation hours in accordance with the rules, caps, and maximums described in the City's Personnel Rules, initially the accrual will be 10 working hours per month. During the first three months of employment, Chief will accrue vacation hours, however, Chief may not access or use accrued vacation. Further, vacation accruals will not be reflected on Chief's paystub during the first three months of employment.
- Administrative Leave: In fiscal year ("FY") 2025, Chief will be granted 33 hours of Administrative Leave. Beginning in FY 2026, Chief will be granted a total of 100 hours Administrative Leave with pay during each fiscal year (50 hours accrued on July 1st and 50 hours accrued on January 1st.) Chief may use this time to take paid leave from work. In the first full pay period of June of each fiscal year, the City will pay out the balance in your Administrative Leave accrual bank or 40 hours, whichever is smaller. Any balance left in the bank will not carry over from year to year.
- The City observes 15 holidays. A list of holidays can be found in the attached City Personnel Rules.
- The Council values professional development and it will be considered as the budget allows. Initially, the Chief will be allowed a budget of \$5,000 with which to engage a coach to assist with transition into the role as a Police Chief under California laws and standards.

6. EVALUATION.

Chief shall receive initial performance evaluations at six months and twelve months from the City Manager, and an annual evaluation every twelve months thereafter. Copies of such performance evaluations shall be placed in the Chief's personnel file. Performance evaluations must include objectives and goals for the coming evaluation period.

7. PROFESSIONAL MEETINGS.

Chief is expected to represent the City at appropriate professional local and state meetings and conferences approved by the City Manager at no cost to Chief.

8. REIMBURSEMENT OF EXPENSES.

Chief shall comply with City's Purchasing Ordinance with respect to legitimate expenses incurred in the course and scope of Chief's employment, and the City will pay for or reimburse as appropriate actual and necessary expenses incurred by Chief while acting in the course and scope of their employment, in compliance with the City's policies, and as approved by the City Manager. Expenses regarding membership in professional organizations shall be permitted as an expense if budgeted and authorized in advance by the City Manager.

9. INDEMNIFICATION.

City agrees to indemnify, defend, and hold harmless Chief against any and all claims and legal actions against Chief pursuant to Government Code Section 825.

10. ENTIRE AGREEMENT.

The Parties agree that this Agreement contains all the agreements of the Parties and cannot be amended or modified except by written amendment or agreement. This Agreement may be amended at any time by the mutual consent of the parties by written amendment.

11. NOTICES.

Any notices pursuant to this Agreement shall be sent by regular mail addressed as follows:

- A. City: Don Schwartz, 7120 Bodega Avenue, Sebastopol, CA 95472.
- B. Chief: Sean McDonagh, P.O. Box 22414, Carson City, NV 89721

12. INTERPRETATION OF AGREEMENT AND FORUM.

This Agreement shall be construed and interpreted in accordance with the laws of California. In the event of any dispute arising from this Agreement, the forum for judicial review shall be the Superior Court, Sonoma County.

13. SEVERABILITY.

If any provision or portion of this Agreement is held invalid by a court of competent jurisdiction, the remainder shall be deemed severable and shall not be affected and shall remain in full force and effect insofar as possible.

14. SURVIVAL.

Many sections of this Agreement are intended by their terms to survive termination of Chief, including but not limited to sections regarding separation or termination of Chief. Such sections shall survive termination of employment and termination of this Agreement.

15. AMENDMENTS.

This Agreement may be amended from time to time by mutual agreement of the Parties. Any amendments are to be negotiated, reduced to writing, and adopted by the City Council.

16. CONFLICT OF INTEREST.

Chief shall not engage in any business or transaction or have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independent judgment or action in the performance of official duties. Chief shall also be subject to conflict-of-interest provisions of the Political Reform Act of 1974 and Government Code section 1090 as applicable to Chief's employment.

17. EXECUTION.

In witness whereof, the parties have executed this Agreement as of the day and year first above written.

CITY MANAGER

Signed by:
Don Schwartz 3/6/2025
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Don Schwartz

CHIEF OF POLICE

Signed by:
Sean McDonagh 3/5/2025
D0BC172BBDBD40B...

Sean McDonagh

Approved as to form:

Signed by:
Alex Mog 3/6/2025
66BDB79D572A4EB...

Alex Mog, City Attorney