



## STAFF REPORT

### City Council

Meeting Date:

8/26/2025

Staff Report Number:

25-129-CC

Consent Calendar:

**Approve second amendment to the employment agreement between the City of Menlo Park and City Manager Justin Murphy**

### Recommendation

Approve the second amendment to the employment agreement (Attachment A) with Justin Murphy for city manager services.

### Policy Issues

The City Council has the responsibility of appointing the city manager. The city manager serves as the City's chief executive officer.

### Background

Mr. Murphy has nearly 28 years of experience with the city, beginning his employment in 1996 as an associate planner, and serving as the assistant community development director, public works director, deputy city manager, and interim city manager prior to his permanent appointment. In addition to his decades of public service experience, Mr. Murphy holds a Bachelor of Arts in Urban Studies from Stanford University and a Masters of Public Administration from Harvard University's Kennedy School of Government.

On June 17, 2022, the City Council voted 5-0 to appoint Justin Murphy as the city manager following a competitive recruitment process. His employment agreement was approved on July 12, 2022, retroactive to June 20, 2022 (Attachment B). On May 21, 2024, the City Council voted unanimously to approve the first amendment to Mr. Murphy's employment agreement (Attachment C).

Mr. Murphy's employment agreement included an initial three-year term of June 20, 2022, through Aug. 30, 2025, with an option for an additional two years. The terms and conditions of the employment agreement are comparable to other city managers in the surrounding area. In addition to the standard terms and conditions, the agreement and the first amendment provided for the following salary and benefits:

- Current annual salary of \$324,000.
- Upon the completion of successful performance evaluations, the City Council may award the city manager with a bonus in line with the city's management benefit plan for management appointees (Attachment C).
- The City provides the city manager with health benefits, leave accruals, car allowance and retirement benefits consistent with those provided under the City's management benefit plan for management appointees (Attachment D). The city manager is enrolled in the Public Employees Retirement System (PERS) Classic Tier 1 plan in accordance with PERS rules.
- Mr. Murphy agreed to the terms of a general release agreement related to termination of employment

(Attachment B).

### **Analysis**

The employment agreement includes the following modification for City Council consideration:

- Approving the two (2) year option effectuating the full five (5) year term per §2 of the employment agreement.

All other terms and conditions of the employment agreement remain unchanged at this time.

### **Impact on City Resources**

There is no additional impact to the fiscal year 2025-26 adopted budget associated with this second amendment to the employment agreement.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§15378 and 15061(b)(3) as it is a minor change that will not result in any direct or indirect physical change in the environment.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

- A. Second amendment to the employment agreement
- B. Hyperlink – July 12, 2022, Staff Report #22-135-CC:  
[menlopark.gov/files/sharedassets/public/v/3/agendas-and-minutes/city-council/2022-meetings/agendas/20220712-city-council-agenda-packet.pdf](https://menlopark.gov/files/sharedassets/public/v/3/agendas-and-minutes/city-council/2022-meetings/agendas/20220712-city-council-agenda-packet.pdf)
- C. Hyperlink – May 21, 2024, Staff Report #24-094-CC:  
[menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/city-council/2024-meetings/agendas/20240521/i5-20240521-cc-city-manager-agree.pdf](https://menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/city-council/2024-meetings/agendas/20240521/i5-20240521-cc-city-manager-agree.pdf)
- D. Hyperlink – Labor agreements: [menlopark.gov/laboragreements](https://menlopark.gov/laboragreements)

Report prepared by:

Brittany Mello, Administrative Services Director

## SECOND AMENDMENT TO EMPLOYMENT AGREEMENT

This Second Amended Employment Agreement (“Agreement”) is made and entered into on August 26, 2025, which amends the Employment Agreement signed on August 3, 2022, and the First Amended Employment Agreement (“First Amendment”) by and between the **City of Menlo Park** (the “City”) and **Justin I. C. Murphy** (“Murphy”) for services to be performed by Murphy in the position of City Manager. The City and Murphy are collectively hereinafter referred to as “Parties.”

### RECITALS

A. The City and Murphy desire to amend specific provisions of the Employment Agreement setting forth the terms and conditions of Murphy’s employment with the City as City Manager.

B. In consideration of the mutual covenants and agreements hereinafter set forth, the City and Murphy agree as follows:

### AGREEMENT

1. Section 2 Term of Agreement provides for an initial three (3) year term with an option for an additional two (2) years upon mutual agreement by the City Council and City Manager. The parties agree to extend the Term of Agreement for the additional two (2) years effectuating the full five (5) years of the Agreement. Per its terms, the Agreement shall automatically renew on an annual basis unless the City Council provides the City Manager with timely notice of non-renewal per Section 7.3.

All other terms and conditions of the Employment Agreement are unchanged and remain in full force and effect.

**BY EXECUTING THIS SECOND AMENDMENT TO THE EMPLOYMENT AGREEMENT EACH PARTY REPRESENTS THAT THEY UNDERSTAND THE TERMS OF THIS AGREEMENT AND FREELY AND VOLUNTARILY SIGN THIS AGREEMENT.**

**IN WITNESS WHEREOF**, the Parties have executed this Agreement which shall be effective upon the commencement date specified herein.

**CITY OF MENLO PARK**

\_\_\_\_\_  
Drew Combs  
Mayor

Date: \_\_\_\_\_

**JUSTIN I. C. MURPHY**

\_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Judi A. Herren  
City Clerk