FIRST AMENDMENT TO

CITY OF LOMPOC

CITY MANAGER EMPLOYMENT AGREEMENT

This FIRST AMENDMENT TO CITY OF LOMPOC CITY MANAGER EMPLOYMENT AGREEMENT (the "FIRST AMENDMENT") is made and entered into on December 20, 2022, by and between the CITY OF LOMPOC, a general law city and municipal corporation (CITY) and Dean Albro, an individual (EMPLOYEE).

RECITALS

WHEREAS, on December 21, 2021, the City Council of the City (City Council) entered into the City of Lompoc City Manager Employment Agreement (AGREEMENT) with EMPLOYEE; and

WHEREAS, the City Council recently conducted a performance evaluation of EMPLOYEE pursuant to Section 5.2 of the AGREEMENT; and

WHEREAS, Section 2.3 of the AGREEMENT provides that the CITY, following an annual performance evaluation, may in its sole discretion increase EMPLOYEE's base salary; and

WHEREAS, Section 8.2 of the AGREEMENT provides that the AGREEMENT may be amended at any time by mutual consent of the parties by an instrument in writing, which amendment shall require City Council approval; and

WHEREAS, the City Council now desires to amend the AGREEMENT to provide EMPLOYEE with a one-time salary increase of 4%; and

WHEREAS, the parties desire to further amend the AGREEMENT to provide that EMPLOYEE is subject to the same vacation, management, and holiday leave cashout election timing and payout requirements as the City's Management, Supervisory, and Confidential (MS&C) employees; and

WHEREAS, EMPLOYEE desires to accept these employment terms as such from the CITY and has provided his written consent to the following terms and conditions in this FIRST AMENDMENT.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, CITY and EMPLOYEE hereby agree as follows:

AGREEMENT

SECTION 1. The above recitals are incorporated by reference as if set forth in full herein.

<u>SECTION 2</u>. Section 2.1 of the AGREEMENT is hereby amended, in its entirety, to read as follows (additions shown in *bold italics*):

"2.1 <u>Current Base Salary</u>. EMPLOYEE shall receive Two Hundred Thirty Thousand Dollars (\$230,000.00) as his annual base salary for the city manager position ("Salary"), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the CITY are paid. The Salary shall be subject to normal and proper withholdings as determined by state and federal law and as determined appropriate by the City Council and shall be subject to payroll taxes, workers' compensation, and other payroll-related liability costs.

Effective January 1, 2023, EMPLOYEE shall receive a Salary of Two Hundred Thirty-Nine Thousand and Two Hundred Dollars (\$239,200)."

<u>SECTION 3</u>. Section 6.2 of the AGREEMENT is hereby amended, in its entirety, to read as follows (additions shown in *bold italics*, deletions shown in strikethrough):

"6.2 Paid Leave.

- Sick Leave: EMPLOYEE shall accrue one day (8 hours) paid sick leave per month. EMPLOYEE shall be entitled to receive cash payment for up to 50% of EMPLOYEE's unused, accrued sick leave balance upon separation of employment, provided that such leave does not exceed a total of 720 hours (up to 360 hours paid). EMPLOYEE is entitled to payment for unused sick leave, pursuant to this AGREEMENT, upon retirement or resignation, only if thirty-day' written notice of intent to retire or resign is given to the CITY. EMPLOYEE shall be eligible for an annual payment of \$300, if EMPLOYEE's sick leave utilization for the calendar year (prior 12 months) is three equivalent regular work days (24 hours) or less. The payment shall be calculated after the first pay period ending in December. The payment will be paid on the second pay period ending in December. The CITY provides various leave banks for EMPLOYEE's use, with accrual and use record-keeping being required to properly maintain the leave banks. Time off of less than two continuous hours in a day does not need to be recorded by EMPLOYEE as an exempt employee of the CITY. Abuse of this exception, such as daily use or random periods within a day, will not be allowed; however, this exception is also not allowed to be combined with other leaves.
- (b) <u>Vacation Leave</u>. EMPLOYEE shall be entitled to accrue twenty days (160 hours) of vacation leave annually to be accrued pro rata per pay period in the same manner as other City employees. Upon separation, for any reason, EMPLOYEE shall be entitled to one hundred percent of the EMPLOYEE's unused vacation leave balance then existing, at the EMPLOYEE's then current hourly rate of pay, subject to normal and proper withholdings as determined by state and

federal law and shall be subject to payroll taxes, workers' compensation, and other payroll-related liability costs in the same manner as other employees of the CITY. Unused vacation leave may be carried over into the following year to a maximum accrual of three hundred twenty (320) hours. EMPLOYEE may exercise the option to convert into cash a maximum of eight days (64 hours) of accrued vacation leave annually. Such election by EMPLOYEE shall be irrevocable. Election and payout timing requirements shall be the same as those established for the City's Management, Supervisory and Confidential (MS&C) employees. Such conversion shall be computed at EMPLOYEE's then current base hourly rate on an hour per hour basis, with thirty-days' written notice to payroll. Payment may be made during the first payroll in December, consistent with the payment of this benefit for other CITY employees. The CITY provides various leave banks for EMPLOYEE's use, with accrual and use record-keeping being required to properly maintain the leave banks. Time off of less than two continuous hours in a day does not need to be recorded by EMPLOYEE as an exempt employee of the CITY. Abuse of this exception, such as daily use or random periods within a day, will not be allowed. Unrecorded time off shall not be allowed to be combined with other paid leave during any given work day.

Holiday Leave. EMPLOYEE shall be granted the following holidays: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Juneteenth, Independence Day. Labor Day, Veteran's Day, Thanksgiving, Day after Thanksgiving Day, December 24, and Christmas (eleven twelve 8-hour days), and any other holiday provided to employees in the Management, Supervisory and Confidential (MS&C) compensation plan. In addition, one floating holiday (one 8-hour day) will be credited to EMPLOYEE's Holiday Leave bank on January 1 each year consistent with the accrual of floating holiday time by other employees in the Management, Supervisory and Confidential (MS&C) compensation plan. EMPLOYEE may accumulate up to a maximum of sixty-four hours of holiday time. Hours of holiday accumulated over sixty-four hours will be paid at the time payroll is processed when the hours are earned. Holiday time is a compensable leave, and any hours remaining in the employee's holiday bank will be paid out upon separation from CITY service, at EMPLOYEE's then current hourly rate of pay. In addition, EMPLOYEE may be paid for a maximum of thirty hours accrued holiday time-off by providing notice to the Human Resources Manager on appropriate forms. Such election by EMPLOYEE shall be irrevocable. Election and payout timing requirements shall be the same as those established for the City's Management, Supervisory and Confidential (MS&C) employees. Compensation shall be determined by multiplying the number of hours for which compensation is requested by the employee's regular hourly wage. The required notice by the EMPLOYEE must be given between October 1 and 15 of each year and will be paid on the first payday in November, consistent with the payout of holiday time for employees in the MS&C compensation plan. The CITY provides various leave banks for EMPLOYEE's use, with accrual and use record-keeping being required to properly maintain the leave banks. Time off of less than two continuous hours in a day does not need to be recorded by EMPLOYEE as an exempt employee of the CITY. Abuse of this exception, such as daily use or random periods within a day, will not be allowed.

Unrecorded time off shall not be allowed to be combined with other paid leave during any given work day.

(d) Management Leave. EMPLOYEE is eligible to earn sixty-four hours of management leave per fiscal year (earned as 5.334 hours of additional vacation time per month). Management leave may be rolled over into the following fiscal year, not to exceed one hundred twenty eight total banked hours of accrued management leave in any fiscal year. This additional management leave/vacation time shall be in lieu of equivalent time off for overtime worked as provided in Rule IV, Section 4 of the Personnel Rules for Management, Supervisory, and Confidential employees. EMPLOYEE may elect to cash in up to eight days (64 hours) of unused vacation time per year. Such election by EMPLOYEE shall be irrevocable. Election and payout timing requirements shall be the same as those established for the City's Management, Supervisory and Confidential (MS&C) employees. Payment may be made during the first payroll in December. At the time the City provides separate Vacation leave and Management leave banks, the EMPLOYEE's Vacation and Management accruals and leave bank balances will be separated in a similar manner afforded other CITY employees eligible for the two leave benefits. The CITY provides various leave banks for EMPLOYEE's use, with accrual and use record-keeping being required to properly maintain the leave banks. Time off of less than two continuous hours in a day does not need to be recorded by EMPLOYEE as an exempt employee of the CITY. Abuse of this exception, such as daily use or random periods within a day, will not be allowed. Unrecorded time off shall not be allowed to be combined with other paid leave during any given work day.

The time during the fiscal year, at which EMPLOYEE may take management leave, shall be determined by the Mayor. Management leave is a compensable leave, and any hours remaining in EMPLOYEE's management leave bank will be paid out upon separation from CITY service, at EMPLOYEE's then current hourly rate of pay, subject to normal and proper withholdings as determined by state and federal law and shall be subject to payroll taxes, workers' compensation, and other payroll-related liability costs in the same manner as other employees of the CITY. Management leave time must be taken off on an hour by hour basis equaling employee actual time off, regardless of accumulation rates."

<u>SECTION 4</u>. This FIRST AMENDMENT shall be effective the date on which it has been executed by all parties.

<u>SECTION 5</u>. Except as expressly amended by this FIRST AMENDMENT, the underlying terms, conditions, and compensation of EMPLOYEE of and for his employment as City Manager shall be as set forth in the AGREEMENT and FIRST AMENDMENT.

/// /// IN WITNESS WHEREOF, the CITY has caused this FIRST AMENDMENT to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and EMPLOYEE has signed and executed this FIRST AMENDMENT, both in duplicate.

CITY OF LOMPOC

Dated: 1-24-23

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