

AMENDMENT NO. 1 TO AGREEMENT FOR EMPLOYMENT OF CITY MANAGER

THIS AMENDMENT NO. 1 TO AGREEMENT FOR EMPLOYMENT OF CITY MANAGER ("Amendment No. 1") is made and entered into as of October 7, 2015 ("Effective Date"), by and between CITY OF MENIFEE, a municipal corporation and general law city of the State of California ("CITY"), and ROBERT A. JOHNSON, an individual ("JOHNSON" or "City Manager"), with respect to the following:

A. CITY and JOHNSON entered into that certain Agreement for Employment of City Manager, dated March 5, 2014 ("Agreement").

B. CITY and JOHNSON mutually desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing Recitals and the covenants and promises hereinafter contained, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Section I(A)(2) of the Agreement is amended in its entirety to read as follows [deletions shown in strike-through and additions in underline]:

2. The City Council wishes to continue to employ JOHNSON in the capacity of City Manager until June 30, ~~2016~~2020 unless extended by amendment of this Agreement or sooner terminated as provided herein.

2. Section I(B)(1) of the Agreement is amended in its entirety to read as follows [deletions shown in strike-through and additions in underline]:

1. The term of this Agreement, shall expire on June 30, 2020 unless ~~terminated earlier as provided in Section 1 C hereafter, shall be two years and three months unless extended~~ or sooner terminated as provided herein.

3. Section I(C)(1) of the Agreement is amended in its entirety to read as follows [deletions shown in strike-through and additions in underline]:

1. Notwithstanding the provisions of Section B, the City Council may terminate this Agreement with or without cause upon sixty (60) days' written notice. If CITY and City Manager have not negotiated a further extension to this Agreement prior to December 31, 2019, City Manager may deem this Agreement terminated by CITY, effective December 31, 2019. If CITY terminates (or is deemed to have terminated) City Manager, then City Manager shall be entitled to three-six months salary as severance together with all accumulated administrative leave, vacation and sick leave at his highest full salary earned during his tenure with the City CITY, provided that (i), if City Manager is terminated after conviction of a felony or misdemeanor involving moral turpitude any severance pay shall be forfeited and all benefits shall terminate unless otherwise required to continue by law, (ii) pursuant to Government Code Section 53243.5, if City Manager is later convicted of a crime involving abuse of office or position, then any

severance paid under this Section I(C)(1) shall be returned by City Manager to CITY; and (iii) pursuant to Government Code Section 53260, regardless of the term of this Agreement, if this Agreement is terminated, the maximum cash settlement that City Manager may receive shall not exceed City Manager's monthly salary multiplied by the number of months left on the unexpired term of this Agreement.

4. Section I(D) of the Agreement is added in its entirety to read as follows [additions in underline]:

City may place City Manager on administrative leave with full pay and benefits at any time during the term of this Agreement. However, if the purpose of placing City Manager on administrative leave with pay is to conduct an investigation into potential wrongdoing, and after that investigation, City Manager is convicted of a crime involving abuse of his/her office or position, then pursuant to Government Code Section 53243, City Manager shall be required to fully reimburse City for any salary or benefits received while on administrative leave with pay. "Abuse of office or position" shall be as defined in Government Code Section 53243.4, as may be amended.

5. Section III(C) of the Agreement is amended in its entirety to read as follows [deletions shown in strike-through and additions in underline]:

C. Compensation Increase

~~The City Manager shall be automatically entitled to a 5% increase in base salary effective July 1, 2015.~~ Unless he receives a negative performance review in a timely manner as provided in Section III(B) above, the City Manager shall be automatically entitled to (i) a 5% increase in base salary effective July 1, 2015 (which increase has been implemented as of the date of this Amendment No. 1), (ii) a 6% increase in base salary effective July 1, 2016, (iii) a 5% increase in base salary effective July 1, 2017, (iv) a 4% increase in base salary effective July 1, 2018, and (v) a 3% increase in base salary effective July 1, 2019.

6. Section III(D) of the Agreement is amended in its entirety to read as follows [deletions shown in strike-through and additions in underline]:

D. Benefits

The City Manager shall receive the same benefits, including the 125-Cafeteria Plan, healthcare options, vacation, holiday and sick leave time as that afforded other management employees of the CITY.

In addition, he the City Manager shall receive City paid Term Life Insurance Policy in the amount of \$350,000.

~~He~~ The City Manager shall also be entitled to 80 hours of paid administrative leave per fiscal year, ~~on a use-it-or-lose-it basis.~~

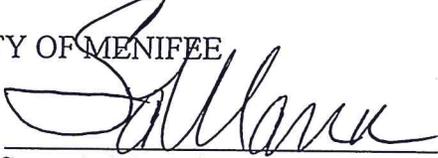
Leave accrual shall be at 6.15 hours per pay period. Sick leave shall accrue at 4.0 hours per pay period and may accrue up to 60 days. Any leave beyond 60 days in any fiscal year terminates on June 30 of that year.

On or before December 31 in each calendar year, City Manager may exchange up to 160 hours of regular accrued leave in exchange for a payment from City at a rate calculated by (i) dividing the City Manager's then-current base salary by two thousand eighty (the "Hourly Rate"), (ii) then multiplying the Hourly Rate by the number of hours of regular accrued leave to be exchanged.

7. Except for the amendments to the Agreement set forth in this Amendment No. 1, the Agreement and all of its terms, provisions, and conditions shall remain in full force and effect.

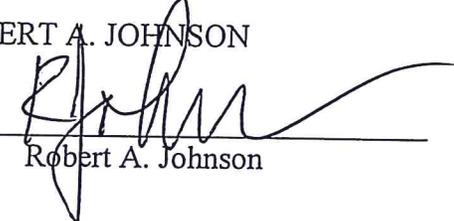
IN WITNESS WHEREOF, the parties hereto have executed and entered into this Amendment No. 1 as of the Effective Date.

CITY OF MENIFEE

By: 

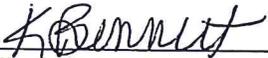
Scott A. Mann, Mayor

ROBERT A. JOHNSON

By: 

Robert A. Johnson

Attest:



Kathy Bennett, City Clerk

Approved As To Form:



Jeffrey T. Melching, City Attorney