

SECOND AMENDMENT TO THAT AMENDED AND RESTATED CITY MANAGER EMPLOYMENT AGREEMENT

THIS SECOND AMENDMENT TO THAT AMENDED AND RESTATED CITY MANAGER EMPLOYMENT AGREEMENT (the "Agreement") is made at Paramount, California on the 28th day of February 2023, by and between the City of Paramount, a municipal corporation ("City"), and John Moreno, an individual, ("Manager").

RECITALS

1. City and Manager entered into that certain Amended and Restated City Manager Employment Agreement ("Agreement") beginning February 1, 2022 and continuing thereafter subject to the terms of the Agreement; and
2. City and Manager entered into a First Amendment to the Amended and Restated City Manager Employment Agreement on June 21, 2022; and
3. City and Manager desire to amend certain sections of the Agreement to add annual discretionary Performance Incentives which Manager has agreed to accept.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed by and between City and Manager to amend the Agreement as follows:

1. Section 5. Performance Evaluation.

Section 5. is amended in full to read as follows:

"The Manager shall receive an annual performance evaluation by the City Council. The purpose of the annual performance evaluation shall be to provide feedback to the Manager regarding Manager's performance against goals and objectives, to establish goals and objectives for the following year, to determine whether any compensation adjustment pursuant to Section 4. is warranted, and to determine whether to award Manager a Performance Bonus Incentive subject to the criteria set forth below in either Section 5.a or 5.b.

- A. *Monetary Performance Bonus Incentive*. At the conclusion of an annual performance evaluation, the City Council may determine to award Manager with a one-time monetary Performance Bonus Incentive in recognition of either (1) continued exceptional performance or (2) a singular exceptional achievement on behalf of the City. Whether a bonus is given, and the amount thereof, shall be subject to the sole and absolute discretion of the City Council. The Performance Bonus shall be payable not later than the next City pay period following Manager's annual performance evaluation. Manager shall not be eligible to receive more than one (1) Performance Bonus in any fiscal year. The amount of the monetary Performance Bonus Incentive in any year shall be limited in an amount up to but shall not exceed (6.6%) of the Manager's annual base salary for the just-concluded year.
- B. *Performance Bonus Incentive – Additional Vacation Time*. In lieu of a monetary one -time Performance Bonus Incentive set forth in Section 5.a

hereinabove, and beginning in fiscal year 2024, the City Council may determine to award Manager with a Performance Bonus Incentive consisting of additional Vacation Time in an amount up to but shall not exceed three (3) additional weeks to be credited to Manager's existing accruals. The additional Vacation Time shall not be awarded by the City Council to Manager in addition to any one-time monetary Performance Bonus set forth in Section 5.a. Whether additional Vacation Time is given, and the amount thereof, shall be subject to the sole and absolute discretion of the City Council. Pursuant to Section 4.C, Manager may elect to have City pay to Manager up to three (3) weeks of accrued vacation time annually.

- C. For this fiscal year 2023, the City Council is awarding Manager with a one-time monetary Performance Bonus Incentive in the amount of \$15,000.00."

Except as expressly provided herein under this Second Amendment, all other provisions of that certain Amended and Restated City Manager Agreement dated February 1, 2022 and amended on June 21, 2022 shall remain in full force and effect.

Executed this 14th day of February 2023 at Paramount, California.

"City"

CITY OF PARAMOUNT,
a municipal corporation

By: 

VILMA CUELLAR STALLINGS, Mayor

"Manager"

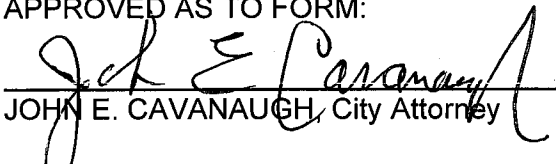

JOHN MORENO

ATTEST:



HEIDI LUCE, City Clerk

APPROVED AS TO FORM:


JOHN E. CAVANAUGH, City Attorney