AMENDMENT NO. 3 TO AGREEMENT FOR EMPLOYMENT OF CITY MANAGER

THIS AMENDMENT TO AGREEMENT is made and entered into this 8th day of August, 2023, amending that certain "AGREEMENT FOR EMPLOYMENT OF CITY MANAGER" by and between the City of Lakewood, a California general law municipal corporation of the State of California ("Employer"), and Thaddeus J. McCormack ("Employee"), dated August 8, 2017, as previously amended in 2020 and 2021 (the "Agreement").

Recitals

- A. The current Term of the Agreement expires on September 5, 2023.
- B. Both parties wish to extend the Term for another 3-year period.
- C. The City Council will conduct its annual evaluation of the City Manager in September of 2023.

Based on the Recitals set forth above, the parties hereby agree to amend the Agreement as follows:

- 1. The Term shall be extended through September 8, 2026.
- 2. In all other respects the Agreement shall remain in full force and effect. Intending to be legally bound, the parties have executed this Agreement, below, as of the date first written above.

CITY OF LAKEWOOD Mayor

Thaddeus J. McCormack

Attest:

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AMENDMENT NO. 2 TO AGREEMENT FOR EMPLOYMENT OF CITY MANAGER

THIS AMENDMENT TO AGREEMENT is made and entered into this 12th day of October, 2021, amending that certain "AGREEMENT FOR EMPLOYMENT OF CITY MANAGER" by and between the City of Lakewood, a California general law municipal corporation of the State of California ("Employer"), and Thaddeus J. McCormack ("Employee"), dated August 8, 2017, as previously amended in 2020 (the "Agreement").

Recitals

- A. Following review of the performance of the City Manager, the City Council has determined that the City Manager has commendably and satisfactorily performed his duties during the evaluation period up to and including the date hereof.
- B. Based on such performance, the City Council finds and determines that the City Manager should receive those benefits set forth herein below.

Based on the Recitals set forth above, the parties hereby agree to amend the Agreement as follows:

- 1. Employee's base salary, as previously modified by cost of living adjustments, shall be \$22,698.90 monthly, effective October 11, 2021.
- 2. In all other respects the Agreement shall remain in full force and effect. Intending to be legally bound, the parties have executed this Agreement, below, as of the date first written above.

CITY OF LAKEWOOD

Dor Mayo

Attest:

Mayberry

AMENDMENT NO. 1 TO AGREEMENT FOR EMPLOYMENT OF CITY MANAGER

THIS AMENDMENT TO AGREEMENT is made and entered into this 28th day of August, 2020, amending that certain "AGREEMENT FOR EMPLOYMENT OF CITY MANAGER" by and between the City of Lakewood, a California general law municipal corporation of the State of California ("Employer"), and Thaddeus J. McCormack ("Employee"), dated August 8, 2017 (the "Agreement").

<u>Recitals</u>

- A. Following review of the performance of the City Manager, the City Council has determined that the City Manager has commendably and satisfactorily performed his duties during the evaluation period up to and including the date hereof.
- B. Based on such performance, the City Council finds and determines that the City Manager should receive those benefits set forth herein below.

Based on the Recitals set forth above, the parties hereby agree to amend the Agreement as follows:

- 1. The Term shall be extended through September 5, 2023.
- 2. The "car allowance" of \$500 a month shall be added to Employee's base salary, as previously modified by cost of living adjustments, with new base salary to be \$21,143 monthly, effective August 23, 2020.
- 3. In lieu of a "car allowance", Employer shall provide to Employee a Hybrid or other Alternative Fuel automobile for Employee's exclusive and unrestricted use. Employer shall be responsible for providing liability, property damage and comprehensive liability insurance coverage for such automobile, and for the purchase or lease, operation, maintenance, repair and appropriate replacement thereof.
- 4. In all other respects the Agreement shall remain in full force and effect.

Intending to be legally bound, the parties have executed this Agreement, below, as of the date first written above.

CITY OF LAKEWOOD

Attest:

p Mayberry

Thaddeus J. McCormack

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AGREEMENT FOR EMPLOYMENT OF CITY MANAGER

THIS AGREEMENT is made and entered into this 8th day of August, 2017, by and between the City of Lakewood, a California general law municipal corporation of the State of California ("Employer"), and Thaddeus McCormack ("Employee").

SECTION 1. EMPLOYMENT

A. <u>Appointment of Employee</u>.

- 1. The City Council of the City of Lakewood hereby appoints Thaddeus McCormack to the position of City Manager, effective September 5, 2017, to perform the functions and duties specified under the laws of the State of California, the Lakewood Municipal Code, the ordinances, resolutions, plans and programs of the City, and to perform such other duties and functions as the City Council shall from time to time assign. Employee shall be vested with the powers, duties, and responsibilities set forth in Article II, Part 2, of the Lakewood Municipal Code.
- 2. This is an at-will employment and Employee shall serve at the pleasure of the City Council.

B. <u>Hours of Work</u>.

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Employee is expected to devote necessary time outside normal office hours to the business of the Employer, including but not limited to attending City Council meetings, and other meetings as requested by the City Council. To that end, Employee shall be allowed flexibility in setting his own office hours, but shall be expected to be generally available during ordinary business hours.

C. <u>Outside Professional Activities</u>.

Employee agrees to devote his full productive time, ability, and attention to the Employer's business during the term of this Agreement. Employee may not accept any outside employment during the term of this Agreement, without the consent of the City Council.

SECTION 2. TERM OF AGREEMENT

The term of this Agreement, unless terminated earlier as provided in this Agreement, shall be for a term of three (3) years, commencing on September 5, 2017, and expiring on September 4, 2020.

Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employer to terminate this Agreement at any time, or the right of Employee to resign at any time from his position, subject to the provisions as set forth in this Agreement.

SECTION 3. TERMINATION OF EMPLOYMENT; SEVERANCE PAY

A. <u>Termination, General</u>.

Employee may terminate this Agreement at any time, upon giving ninety (90) days written notice of resignation to Employer.

Employer may terminate this Agreement at any time.

B. <u>Termination For Cause</u>.

"Termination for cause" shall include:

- 1. Willful breach of the Agreement, as interpreted pursuant to California Labor Code section 2924.
- 2. Habitual neglect of the duties required to be performed by this Agreement, as interpreted pursuant to California Labor Code section 2924.
- 3. Continued incapacity to perform the duties required under this Agreement, as interpreted pursuant to California Labor Code section 2924.
- 4. Any acts of dishonesty, fraud, misrepresentation or other acts of moral turpitude.
- 5. Conviction of any act which would constitute a crime, whether misdemeanor or felony, and which would bring disrespect to the Office of City Manager or to Employer.
- 6. Willful violations of Employer's policies of a serious nature, including for example, Employer's Sexual Harassment or "Drugs in the Work Place" policies.

C. <u>Severance</u>.

- 1. In the event Employee is terminated without cause during the term of this Agreement, Employer shall pay to Employee a lump sum cash severance payment equal to the total value of the Employee's then current aggregate salary and benefits that he would have been entitled to receive for the remaining term of this Agreement as of the date of termination under the terms of this Agreement, with such payment not to exceed an amount representing three (3) months of such salary and benefits. Employee shall also receive payment for any other accrued benefits to date, according to the same provisions applicable to management employees separating from employment by Employer.
- 2. In the event Employee is terminated for cause or conviction, Employer shall have no obligation to pay the aggregate severance sum designated in Section 3.C.1.

D. <u>**Disability**</u>. In the event Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental capacity or health reasons for a period of three (3) consecutive months beyond any accrued sick leave, Employer may terminate this Agreement, and Employee's salary then in effect shall continue until six (6) months have

elapsed from the date of the incident or onset of illness giving rise to the disability or incapacity. The amount of salary shall be reduced by an amount equal to any disability insurance proceeds then being received by the Employee. Employer shall have no obligation to pay the aggregate severance sum designated in Section 3.C.1 in the event of termination under this Section 3.D.

E. <u>**Resignation**</u>. In the event Employee voluntarily resigns his position with Employer before expiration of the term of this Agreement, then Employer shall have no obligation to pay the aggregate severance sum designated in Section 3.C.1.

F. <u>AB 1344</u>. In the event of termination, Employee shall comply with the provisions of California Government Code, Section 53243.2, if applicable.

SECTION 4. COMPENSATION OF EMPLOYEE

A. <u>Salary</u>. Employer agrees to pay Employee for his services provided herein an annual base salary of \$230,072.00, payable in installments at the same times as management employees are paid.

B. <u>Benefits</u>. Employee shall receive such other and further benefits, in such amounts and to such extent as accorded to Employer's senior management employees.

C. <u>Annual Physical</u>. Employer shall pay the cost of Employee's annual physical examination.

D. <u>Vehicle Allowance</u>. Employer shall pay to Employee a vehicle allowance in the amount of \$500 per month.

E. <u>**Dues and Subscriptions**</u>. Employer agrees, to the extent it is financially able and with City Council approval, to budget for and to pay for professional dues and subscriptions of Employee necessary for his continuation and full participation in national, regional, state and local City Manager associations.

F. <u>Professional Development</u>. Employer agrees, to the extent it is financially able and with City Council approval, to budget for and to pay for travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official functions for Employer, including but not limited to the ICMA Annual Conference, the League of California Cities Annual Conference and the annual City Manager's Department meeting and the annual renewal requirements of the ICMA Credentialed Manager Program, and such other national, regional, state, and local governmental groups and committees thereof which Employee serves as a member. Employer also agrees, to the extent it is financially able, to budget for and to pay for travel and subsistence expense of Employee for short courses, institutes, and seminars that are necessary for his professional development and for the good of Employer.

SECTION 5. MISCELLANEOUS PROVISIONS

A. The text herein shall constitute the entire Agreement between the parties.

B. If any provision, or portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

C. In the event that either party to this Agreement brings a lawsuit to enforce or interpret any provisions of this Agreement, the prevailing party shall be entitled to recover their reasonable attorneys' fees and related expenses and costs.

D. This Agreement shall be governed by the laws of the State of California.

E. The parties agree that any ambiguity in this Agreement shall not be construed or interpreted against, or in favor of either party.

F. This Agreement contains the full agreement of the parties. Any modification or change in this Agreement shall not be binding on either party unless such change or modification is in writing and signed by both parties.

G. Employer shall defend, hold harmless, and indemnify Employee against any tort, professional liability claim, or demand or other legal action, whether groundless or otherwise, arising out of any alleged act or omission occurring during Employee's employment under this Agreement, including without limitation, claims arising out of personnel actions taken by Employee. Employer shall defend, compromise and settle any such claim or suit, and shall pay the amount of any settlement or judgment rendered hereon.

Intending to be legally bound, the parties have executed this Agreement, below, as of the date first written above.

CITY OF LAKEWOOD

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Thaddeus McCormack

Attest:

City Clerk

Approved as to form.

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City Attorney