

**AMENDMENT NO. 3 TO**  
**CITY MANAGER EMPLOYMENT AGREEMENT**

This Amendment No. 3 to THE CITY MANAGER EMPLOYMENT AGREEMENT dated May 14, 2013, by and between the CITY OF PALOS VERDES ESTATES, a Municipal Corporation (“CITY”), and ANTON DAHLERBRUCH (“EMPLOYEE”) is made on June 26, 2018. The City and Employee agree as follows:

**RECITALS**

A. The City and Employee entered into the City Manager Employment Agreement on May 14, 2013 and amended it on September 9, 2014 (Amendment No. 1) and on October 27, 2015 (Amendment No. 2) (referred to herein as the Agreement).

B. On May 8, May 24, and May 31, 2018, the City Council conducted a performance evaluation of Employee and is satisfied with the quality of his performance to date.

C. The City and Employee desire to extend the Agreement, which without amendment is set expire December 31, 2018; to provide for a Cost of Living Adjustment (COLA) increase to Employee equal to that of the other public service employees; and to make other revisions to the Agreement.

D. It is a goal of the City is to recruit and retain qualified and competent City employees.

**NOW, THEREFORE**, the City and Employee agree to this Amendment No. 3 to the Agreement as follows:

**1. Paragraph 2 of the Agreement is amended as follows:**

2. Term. The Term of this Agreement shall commence June 3, 2013 (“effective date”) and continue to December 31, 2020, unless terminated by either party as provided herein.

**2. Paragraph 5 of the Agreement is amended as follows:**

5. Salary, Additional Compensation and COLA. City agrees to pay Employee for the services required by this Agreement an annual base salary of \$ 213,180.00 payable in installments on the City’s regular paydays. Employee will be subject to the same COLA increase, if any, as approved by the City Council for Public Service Employees after the date of this Amendment No. 3 and during the term of this Agreement.

At any time as desired by the City Council, but at least annually, City agrees to review Employee’s performance and/or to establish specific goals for

Employee. If Employee receives a satisfactory evaluation one year after the effective date of this Amendment No. 3 (or as soon thereafter as the City Council convenes a performance evaluation), Employee's salary may be increased and his compensation may be otherwise reviewed. Any salary increase during the term of this Agreement shall be by amendment to this Agreement.

**3. Subparagraph D of Paragraph 3 of the Agreement is amended as follows:**

3. Termination and Resignation.

D. In the event Employee is terminated by the City Council at any time during the term of this Agreement that Employee is still willing and able to perform the duties required by the Agreement, and the termination is without cause as "cause" is defined in Paragraph C above, then, subject to the limitations set forth in Government Code Section 53260, the City shall pay Employee a lump sum cash payment equal to six months base salary ("Severance"). In addition, City shall extend to Employee the right to continue health insurance as may be required by and pursuant to the terms and conditions of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) and, until Employee obtains other primary insurance, the City will pay the cost of such benefits for a period of up to six (6) months from the effective date of termination. The word "termination" in this paragraph shall include a reduction in salary or other financial benefits of Employee, unless in the same percentage of an across-the-board reduction for all management employees, or elimination of Employee's position (except as provided in Paragraph 3(C)), or Employee's resignation, if preceded by a request by the City Council that he resign. Employee is the City Manager for the purposes of the benefits under the Joint Powers Insurance Authority of which the City is currently a member, although not obligated by this contract to maintain its membership.

**4. Subparagraph C of Paragraph 6 of the Agreement is amended as follows:**

6. Other Compensation.

C. Deferred compensation. As of the Effective Date, Employee shall be eligible to contribute to 457k and 401(k) plans offered through the ICMA Retirement Trust Fund. As of the effective date of Amendment No. 3, City will match any such Employee contribution up to and including \$100.00 per pay period.

**5. Subparagraph B of Paragraph 9 of the Agreement is amended as follows:**

9. Sick Leave, Vacation, and Holidays.

B. Vacation and Holidays. Employee shall be entitled to four (4) weeks of paid mandatory vacation per year, not to exceed two (2) weeks of vacation at any one time and otherwise in accordance with the personnel rules consistent with accrual, including the cap on the number of hours subject to accrual, of management and confidential employees. Employee shall also be entitled to the same number of paid holidays per year as provided in the Municipal Code.

6. **Effective Date.** This Amendment No. 3 shall be effective as of June 26<sup>th</sup>, 2018.

7. **Limited Amendment.** All terms and conditions of the Agreement not amended hereby remain in full force and effect.


This Amendment No. 3 is executed on this 26<sup>th</sup> day of June 2018, at Palos Verdes Estates, California.

CITY OF PALOS VERDES ESTATES:

By:

  
Betty Lin Peterson, Mayor

ATTEST:

  
Lauren Pettit, City Clerk  
(seal)

EMPLOYEE:

  
Anton Dahlerbruch