

**AMENDMENT NO. 2 TO
CITY MANAGER EMPLOYMENT AGREEMENT**

This Amendment No. 2 to City Manager Employment Agreement (“Amendment No. 2”) is made and entered into as of August 27, 2024, by and between the CITY OF PERRIS, a municipal corporation (the “CITY”), and CLARA MIRAMONTES (the “MANAGER”).

A. Recitals.

1. CITY and MANAGER entered into that certain City Manager Employment Agreement dated July 27, 2021, which provided terms and conditions for MANAGER’S employment as City Manager of CITY (the “Agreement”).

2. CITY and MANAGER amended the Agreement on August 29, 2023 (“Amendment No. 1”).

3. MANAGER receives cost of living adjustments to MANAGER’s annual base salary pursuant to Section 5 of the Agreement.

4. The Perris City Council recently conducted a performance evaluation of MANAGER and now desires to amend Section (B)(4) of the Agreement to increase MANAGER’S current base salary by 3% from \$298,465 to \$307,419, including prior cost of living adjustments.

5. MANAGER desires to accept and agrees to these employment terms from the CITY as set forth in this Amendment No. 2.

B. Agreement.

1. The foregoing recitals are incorporated herein by reference.

2. Effective from August 27, 2024, Section (B)(4) of the Agreement (Salary) is hereby amended to read in its entirety as follows:

“CITY agrees to compensate MANAGER for services rendered pursuant hereto, including services as Executive Director, and related duties as provided herein, with an annual base salary of Three Hundred Seven Thousand Four Hundred Nineteen Dollars (\$307,419), payable in the same manner and at the same time as other employees of the CITY are paid. MANAGER shall be considered annually for compensation increases in the COUNCIL’s sole and absolute discretion. The annual base salary of MANAGER shall never be less than 109% of the base salary of CITY's next-highest paid employee.”

3. MANAGER was previously provided cost of living adjustments pursuant to Section 5 of the Agreement. The CITY, by entering into this Amendment No. 2, ratifies all prior cost of living adjustments provided to MANAGER and all compensation previously paid to MANAGER since July 27, 2021.

4. Except as expressly amended by this Amendment No. 2, the underlying terms, conditions, and compensation of MANAGER by CITY as and for her employment as City Manager shall be as set forth in the Agreement and Amendment No. 1.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, CITY has caused this Amendment No. 2 to be signed and duly executed on its behalf by its Mayor, and duly attested by its City Clerk, and MANAGER has signed and executed this Amendment No. 2, in duplicate, the day and year first above written.

“CITY”

By: 
Michael Vargas, Mayor

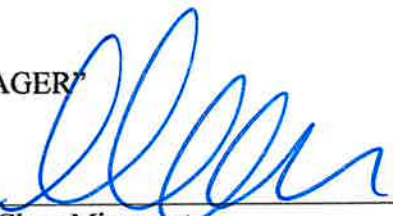
ATTEST:

By: 
Nancy Salazar, City Clerk

APPROVED AS TO FORM:

By: 
Robert Khuu, City Attorney

“MANAGER”

By: 
Clara Miramontes

**AMENDMENT NO. 1 TO
CITY MANAGER EMPLOYMENT AGREEMENT**

This Amendment No. 1 to City Manager Employment Agreement (“Amendment No. 1”) is made and entered into as of August 29, 2023, by and between the CITY OF PERRIS, a municipal corporation (the “CITY”), and CLARA MIRAMONTES (the “MANAGER”).

A. Recitals.

1. CITY and MANAGER entered into that certain City Manager Employment Agreement dated July 27, 2021, which provided terms and conditions for MANAGER’S employment as City Manager of CITY (the “Agreement”).

2. MANAGER receives cost of living adjustments to MANAGER’S annual base salary pursuant to Section 5 of the Agreement.

3. CITY and MANAGER desire to amend Section (B)(4) of the Agreement to increase MANAGER’S current base salary from \$276,050 to \$292,613 set forth in Section (B)(4) of the Agreement, including prior cost of living adjustments.

B. Agreement.

1. The foregoing recitals are incorporated herein by reference.

2. Effective from August 29, 2023, Section (B)(4) of the Agreement (Salary) is hereby amended to read in its entirety as follows:

“CITY agrees to compensate MANAGER for services rendered pursuant hereto, including services as Executive Director, and related duties as provided herein, with an annual base salary of Two Hundred Ninety Two Thousand Six Hundred Thirteen Dollars (\$292,613), payable in the same manner and at the same time as other

employees of the CITY are paid. MANAGER shall be considered annually for compensation increases in the COUNCIL's sole and absolute discretion. The annual base salary of MANAGER shall never be less than 109% of the base salary of CITY's next-highest paid employee.”

3. MANAGER was previously provided cost of living adjustments pursuant to Section 5 of the Agreement. The CITY, by entering into this First Amendment, ratifies all prior cost of living adjustments provided to MANAGER and all compensation previously paid to MANAGER since July 27, 2021.

4. Except as expressly amended by this Amendment No. 1, the underlying terms, conditions, and compensation of City Manager by City as and for her employment as City Manager shall be as set forth in the Agreement.


[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, CITY has caused this Amendment No. 1 to be signed and duly executed on its behalf by its Mayor, and duly attested by its City Clerk, and MANAGER has signed and executed this Amendment No. 1, in duplicate, the day and year first above written.

“CITY”

By: 
Michael Vargas, Mayor

ATTEST:

By: 
Nancy Salazar, City Clerk

APPROVED AS TO FORM:

By: 
Robert Khuu, City Attorney

“MANAGER”

By: 
Clara Miramontes

CITY MANAGER EMPLOYMENT AGREEMENT

This City Manager Employment Agreement (“Agreement”) is made and entered into this day of July 27, 2021 by and between the CITY OF PERRIS, a municipal corporation (the “CITY”), and CLARA MIRAMONTES (the “MANAGER”).

A. Recitals.

1. The City Council of CITY (the “COUNCIL”) desires to retain the services of Clara Miramontes as City Manager, as that office is created in Chapter 2.08 of Title 2 of the Perris Municipal Code, as the same may be amended from time to time, and any successor provisions thereto, and to retain her services as Executive Director of all other agencies of the CITY. Clara Miramontes has been serving as Interim City Manager.

2. It is the desire of the COUNCIL to provide certain benefits, establish certain conditions of employment, and set certain working conditions of MANAGER, and it is the desire of the MANAGER to secure employment as City Manager of CITY.

B. Agreement.

NOW, THEREFORE, in consideration of mutual promises, covenants, and conditions herein contained, the parties agree as follows:

1. Duties.

A. CITY hereby appoints and employs Clara Miramontes as City Manager of the CITY to perform the functions and duties specified in Chapter 2.08 of Title 2 of the Perris Municipal Code, as the same may be amended from time to time, and any successor provisions thereto, and to perform other legally permissible and proper duties and functions consistent with the office of City Manager, as the COUNCIL shall

from time to time assign, including, but not limited to, the duties of Executive Director of other subsidiary entities of CITY.

B. The parties understand that MANAGER shall devote a portion of her professional efforts provided for herein in the capacity of Executive Director of other subsidiary entities of the CITY. In accordance with current procedures, MANAGER shall account for her time expended on behalf of said entities per the customary practice now utilized by CITY's employees so that CITY may be reimbursed by said entities for the provision of MANAGER's services.

C. MANAGER shall be the administrative head of the government of the CITY under the direction and control of COUNCIL. MANAGER shall be responsible for the efficient administration of the CITY matters which are under her control. In addition to her general powers as administrative head, and not as a limitation thereof, MANAGER shall have the powers and duties set forth in Section 2.08.060 of the Perris Municipal Code.

D. COUNCIL shall not interfere with the execution by MANAGER of MANAGER's powers and duties. Except for the purpose of inquiry, COUNCIL and its members shall deal with the administrative service only through MANAGER, and neither COUNCIL nor any of its members shall give orders to any subordinate of MANAGER, either publicly or privately. MANAGER shall take her orders and instructions from COUNCIL only when it is sitting in a lawfully held meeting.

2. Term of Agreement.

A. The term of this Agreement shall be from May 26, 2021 (the "Commencement Date") until termination by either party in accordance with the

provisions set forth in Section 3 hereof. During the term of this Agreement, MANAGER shall be a full-time City Manager. The term "full-time" shall not be construed to prohibit occasional writing, teaching, or consulting performed on MANAGER's time off, so long as the COUNCIL is advised of and approves such additional activities of MANAGER in advance in writing.

B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of MANAGER to resign at any time from her position with the CITY. MANAGER shall give thirty (30) days written notice to CITY prior to the effective date of resignation.

C. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of COUNCIL to terminate the services of MANAGER at any time, at the sole discretion of COUNCIL, in accordance with Section 3.

3. Termination and Severance.

A. MANAGER is an "at-will" employee serving at the pleasure of the COUNCIL and subject to dismissal without any right of notice or hearing, including any Skelly hearing. The CITY may in its absolute discretion, if approved by three (3) members of COUNCIL at a meeting held in accordance with the Brown Act (Gov. Code § 54950 *et seq.*), terminate the employment of MANAGER at any time, with or without cause, provided that upon termination the CITY shall pay MANAGER as severance pay a lump sum cash payment equal to six (6) months' salary only (excluding the value of benefits thereon). Any benefits accrued prior to the severance payment shall be computed from the last day of service and shall be payable on the last day of service. MANAGER shall not be entitled to any other benefit accrual or payment after the last day of service

except for (i) said severance payment, and (ii) benefits or payments accrued prior to the last day of service, and no additional accrual of benefits shall be otherwise included in the severance payment. The last day of service shall be as determined by the COUNCIL. COUNCIL shall not exercise its termination rights under this Section 3.A within the first ninety (90) days following an election in which members of the COUNCIL are elected or re-elected.

B. Notwithstanding any other provision of this Section 3, CITY shall not be obligated to make any severance payment as described herein if MANAGER is terminated for cause, including but not limited to corrupt or willful misconduct in office, malfeasance, misfeasance or nonfeasance constituting grounds for removal from office or conviction of an illegal act involving moral turpitude. In the event MANAGER is under investigation for any of the foregoing reasons, the CITY may withhold part or all of such severance pay until it is determined if charges will be filed, and if charges are filed, until final judgment is rendered.

C. The severance rights provided in this Section shall be in lieu of any other notice, hearing or severance rights MANAGER may have under any other code or regulation of the CITY and MANAGER expressly waives all such rights except as provided herein.

4. Salary.

CITY agrees to compensate MANAGER for services rendered pursuant hereto, including services as Executive Director, and related duties as provided herein, beginning with an annual base salary of two-hundred forty-one thousand, nine hundred seven dollars (\$241,907) per year, from the Commencement Date of this agreement and payable

in the same manner and at the same time as other employees of the CITY are paid. MANAGER shall be considered annually for compensation increases in the COUNCIL's sole and absolute discretion. The annual base salary of MANAGER shall never be less than 109% of the base salary of CITY's next-highest paid employee.

5. Management Benefit Package.

Except as otherwise provided herein, MANAGER shall be granted the same package of benefits existing on the Commencement Date, (including any increase therein) as provided to CITY's Management employees and those benefits outlined in the City of Perris Amended Schedule of Salary and Benefits – Management Employees, including group health, vision, dental, and related insurance programs (family coverage). All such benefits, and the benefits described hereunder shall be deemed "fringe benefits" herein. This includes the CITY's continued participation and contributions to the Public Employees Retirement System ("PERS"). CITY shall, additionally, from the Commencement Date: (i) provide MANAGER with a term life insurance policy equal to two (2) years' salary, (ii) provide MANAGER with a cellular telephone for business use plus minor personal use, (iii) pay MANAGER's share of contributions to Social Security, PERS, and Medicare; and (iv) match MANAGER's contribution to the deferred compensation programs (as selected by MANAGER, e.g., 457 or IRA) up to the maximum legal limits on contributions.

6. Automobile.

CITY agrees to provide an automobile for MANAGER for unlimited use by MANAGER for transportation to and from her place of residence to work in Perris, for CITY business and related travel, and all other purposes, whether business or otherwise.

In such case, CITY shall provide for all insurance and maintenance of said vehicle, and for gasoline used in the performance of CITY business and related travel only.

7. Memberships and Subscriptions.

A. MANAGER agrees to actively participate in such state, regional and local organizations as necessary for the representation of CITY and AGENCY and for effective performance of her duties.

B. CITY agrees to budget and pay professional dues and subscriptions on behalf of MANAGER which are reasonably necessary for MANAGER's continued participation in national, regional, state or local associations and organizations necessary and desirable for MANAGER's continued professional participation, growth, and advancement or for the good of CITY, including the International City Management, League of California Cities and the Contract/Independent Cities Associations. Furthermore, CITY shall budget and pay for the professional dues and subscriptions to such additional organizations as approved by COUNCIL.

C. CITY agrees to budget and pay the travel and subsistence expenses of MANAGER for official travel, meetings, and occasions reasonably adequate to continue the professional development of MANAGER as City Manager and to reasonably pursue necessary official and other functions for CITY and subsidiary entities, including, but not limited to, the annual conference of the International City Management, the League of California Cities, the Contract/Independent Cities Associations and other such national, regional, state and local government groups and committees of which MANAGER serves as a member, as approved by COUNCIL.

8. Sick Leave, Holidays, Vacation, Leave Without Pay, Bereavement Leave and Administrative Leave.

MANAGER shall be entitled to accrue, and have credited to her personal account, administrative and sick leave at the same rate as Management employees of the CITY. MANAGER's vacation leave shall accrue and be credited from the Commencement Date at the rate equivalent to that of an employee in CITY's bargaining unit (i.e., Teamsters) with twenty-four (24) full years of civil service (i.e., currently at 20 hours per month). MANAGER shall also be entitled to holidays, Leave Without Pay and Bereavement Leave on the same basis as Management employees of CITY as provided in Section 6 hereof.

9. Hours of Work.

It is recognized that the MANAGER is expected to engage in the hours of work that are necessary to fulfill the obligations of the position, must be available at all times, and must devote a great deal of time outside the normal office hours to the business of the CITY. The MANAGER acknowledges that proper performance of the duties of the City Manager will require the MANAGER to generally observe normal business hours and will also often require the performance of necessary services outside of normal business hours. However, the CITY intends that reasonable time off be permitted the MANAGER, such as is customary for exempt employees so long as the time off does not interfere with normal business.

10. Performance Evaluation.

COUNCIL and MANAGER shall mutually define such goals and performance objectives which they determine necessary for the proper operation of CITY in the

attainment of COUNCIL's policy objectives. Further, COUNCIL and MANAGER shall establish a relative priority among those various goals and objectives to be reduced to writing with a mutual expectation of MANAGER's achievement of those goals and objectives within a mutually agreed upon time frame. COUNCIL shall review and evaluate the performance of MANAGER. This review and evaluation shall be in accordance with specific criteria developed jointly by COUNCIL and MANAGER. Such criteria may be added to or deleted as COUNCIL may from time to time determine in consultation with MANAGER.

11. Indemnification.

CITY shall defend, hold harmless and indemnify MANAGER against any tort, professional liability claim or demand or other legal action, arising out of an alleged act or omission occurring in the performance of MANAGER's duties in accordance with the provisions of California Government Code § 825. CITY may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered therefrom. This covenant shall survive the termination of this Agreement unless the employment of MANAGER is terminated with cause.

12. Bonding.

CITY shall bear the full cost of any fidelity or other bonds required of MANAGER under any law or ordinance.

13. Expenses.

MANAGER shall be reimbursed, or CITY may pay directly, for business, travel and related expenses incurred by MANAGER in accordance with CITY expense policies.

14. Other Terms and Conditions of Employment.

A. COUNCIL, in consultation with MANAGER, shall fix any such other terms and conditions of employment as it may determine from time to time, relating to the performance of MANAGER, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Perris Municipal Code, any ordinance or resolution of the CITY, or other applicable law.

B. Working conditions, rules and regulations applicable to Management employees of CITY, as such rules now exist or hereinafter may be amended, shall also apply to MANAGER, except where such working conditions are contained within this Agreement or are inconsistent with the terms contained herein.

15. No Reduction of Benefits.

CITY shall not at any time during the term of this Agreement reduce the base salary, compensation, or any other financial benefits of MANAGER, except as may generally be applied to CITY's Management employees.

16. Notices.

Any notice required or permitted by this Agreement shall be in writing and shall be personally served or shall be sufficiently given when served upon the other party as sent by United States Postal Service, postage prepaid and addressed as follows:

To CITY:

City Clerk
City of Perris
101 North "D" Street
Perris, California 92570

To MANAGER:

Clara Miramontes
[On file with City's
Human Resources
Department]

Notices shall be deemed given as of the date of personal service or upon the date

of deposit in the course of transmission with the United States Postal Service.

17. General Provisions.

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

B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of MANAGER.

C. This Agreement shall become effective upon execution.

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

E. In the event of any legal action between the parties hereto to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees and costs as fixed by the Court.

[End – Signature Page Follows.]

IN WITNESS WHEREOF, CITY has caused this Agreement to be signed and duly executed on its behalf by its Mayor, and duly attested by its City Clerk, and MANAGER has signed and executed this Agreement the day and year first above written.


"CITY"

By: 
Michael M. Vargas, Mayor

ATTEST:

By: 
Nancy Salazar, City Clerk

"MANAGER"

By: 
Clara Miramontes, City Manager

Approved as to form:

ALESHIRE & WYNDER, LLP


Eric L. Dunn, City Attorney