

RESOLUTION NO. 25-011

A RESOLUTION OF THE SOUTH EL MONTE CITY COUNCIL
APPROVING THE FIRST AMENDMENT TO THE
EMPLOYMENT AGREEMENT BETWEEN THE CITY AND
RENE SALAS AS CITY MANAGER

WHEREAS, at its January 24, 2023 regular meeting, the City Council appointed Rene Salas (“Employee”) as the City Manager of the City of South El Monte, subject to all of the terms and conditions for such employment being set forth by the City Manager Employment Agreement (the “Agreement”) on a public agenda; and

WHEREAS, pursuant to South El Monte Municipal Code Section 2.08.020(A), “[t]he city manager shall be appointed by the Council solely on the basis of executive and administrative qualifications and ability and shall hold office at and during the pleasure of the council[;]” and

WHEREAS, the City requires the services of a City Manager; and

WHEREAS, Employee served as the City’s Interim City Manager from July 12, 2022 to January 24, 2023; and

WHEREAS, Employee has served as City Manager from January 25, 2023 to present; and

WHEREAS, Employee has the required level of education, experience, skills and expertise to serve as the City Manager of the City; and

WHEREAS, based on Employee’s executive and administrative qualifications and ability, the City Council now desires to extend the Agreement with Employee to continue to serve as the City Manager; and

WHEREAS, Employee desires to perform and continue his responsibilities for the provisions of City Manager services to the City; and

WHEREAS, the City and Employee wish to amend the terms and conditions of Employee’s provision of City Manager professional services to the City through the First Amendment to the Agreement; and

WHEREAS, pursuant to Government Code §36506, the City Council hereby fixes the compensation of the City Manager in the amount set forth in Section 2 of the Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH EL MONTE HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and are incorporated herein by reference as though set forth in full.

SECTION 2. The City Council extends the appointment of Rene Salas as City Manager, effective January 25, 2025 through January 24, 2029.

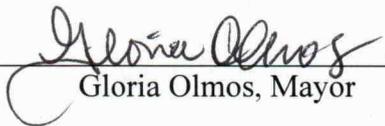
SECTION 3. The City Council hereby approves the First Amendment to the City Manager Employment Agreement between the City and Rene Salas that is attached hereto as Exhibit A and is incorporated herein by this reference. The City Manager's annual salary shall be \$240,000.00 and the benefits paid to the City Manager are as set forth in said Agreement. These amounts can be updated by future action of the City Council made in public at a subsequent council meeting.

SECTION 4. The City Council further authorizes and directs the Mayor to execute the First Amendment and take all actions necessary to appropriate, implement and effectuate the intent of the City Council as set forth in this Resolution

SECTION 5. This resolution shall be effective immediately upon its adoption.

SECTION 6. The City Clerk shall certify to the passage and adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 28th day of January 2025.


Gloria Olmos, Mayor

ATTEST:


Adrian Garcia, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SOUTH EL MONTE)

I, Adrian Garcia, City Clerk of the City of South El Monte, do hereby certify that the foregoing Resolution, being Resolution No. 25-011, was passed and approved by the City Council of the City of South El Monte at a regular meeting of said Council held on the 28th day of January 2025 and that said Resolution was adopted by the following vote:

AYES: Councilmember(s): Acosta, Bojorquez, Rodriguez, Mayor Pro Tem Delgado and Mayor Olmos
NOES: Councilmember(s): None
ABSENT: Councilmember(s): None


Adrian Garcia, MMC, City Clerk

EXHIBIT A
FIRST AMENDMENT
TO CITY MANAGER EMPLOYMENT AGREEMENT
(Rene Salas, City Manager Services)

THIS FIRST AMENDMENT (“First Amendment”) to that certain agreement titled “City Manager Employment Agreement” dated as of January 24, 2023, is hereby made and entered into this 28th day of January 2025 (the “Effective Date”) by and between the City of South El Monte, a general law city and municipal corporation (hereinafter, “City”) and Rene Salas, an individual (hereinafter, “Employee”). For purposes of this First Amendment, the capitalized term “Parties” shall be a collective reference to the City and Employee and the capitalized term “Party” shall refer to the City or Employee interchangeably, as appropriate.

RECITALS

This First Amendment is made and entered into with respect to the following facts:

WHEREAS, on January 24, 2023, the Parties executed and entered into that certain agreement entitled “City Manager Employment Agreement” (hereinafter, the “Master Agreement”) to provide City Manager services. The Master Agreement is attached and incorporated hereto as **Exhibit “A”**; and

WHEREAS, based on the Employee’s performance, the Parties now wish to further amend the terms of the Master Agreement as set forth below; and

WHEREAS, this First Amendment was approved by the South El Monte City Council (“City Council”) at its Regular Meeting of January 28, 2025, in open session as part of the Regular Meeting Agenda under Agenda Item No. 9.g. in compliance with Government Code Sections 53262, 54953(c)(3) and 54956(b).

NOW THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Employee agree as follows:

1. Subsection 3.2. TERM - the subsection set forth below shall be amended in its entirety to read as follows:

The term of this Agreement will be for four (4) years following the Effective Date (“Term”) (i.e., from January 25, 2025 until January 24, 2029).

2. Subsection 2.1. COMPENSATION - the subsection set forth below shall be amended in its entirety to read as follows:

For the services rendered pursuant to this Agreement, Employee’s base monthly compensation shall be Twenty Thousand Dollars (\$20,000) per month to equal Two Hundred Forty Thousand Dollars (\$240,000) annually (the “Salary”), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the City are paid. Such Salary shall be adjusted for payroll taxes, workers’ compensation, and other payroll-

related liability costs.

3. Subsection 4.1 SEVERANCE PAY – SIX MONTHS – the subsection set forth below shall be amended in its entirety to read as follows:

Severance Pay – Nine Months. In the event Employee is terminated without cause and does not challenge such termination, including but not limited to by means of appeal or civil or administrative claim, then City shall pay to Employee severance in an amount equal to his monthly base Salary (as defined in Section 2 above) then in effect multiplied by nine (9), less applicable deductions and excluding deferred compensation or the value of any other benefits.

Notwithstanding the foregoing, Government Code Section 53260 provides that all contracts of employment with a city must include a provision limiting the maximum cash settlement for the termination of the contract to the monthly salary (excluding benefits) multiplied by the number of months left on the unexpired term, but not more than 18 months if the unexpired term exceeds 18 months. Accordingly, should such proposed severance payment exceed the amount authorized to be paid under Government Code Section 53260, then the amount paid to Employee shall be reduced in the amount necessary to comply with such statute. (For example, if termination occurs with two (2) months left in the term, severance would be equal to the monthly base salary multiplied by two (2) rather than the nine (9) months provided in this Section.)

4. Subsection 6.2 ADMINISTRATIVE LEAVE – the subsection set forth shall be amended in its entirety to read as follows:

Employee will be granted eighty (80) hours of administrative leave per fiscal year. Employee shall not accrue more than eighty (80) hours of administrative leave. Employee shall not use less than one (1) hour of administrative leave at any one time. Administrative leave must be used and deducted from accruals on an hour by hour basis for time missed from normal work hours which for purposes of this section are deemed to be normal City operating hours. Upon Employee's separation from City service for any reason, the City shall compensate Employee for any accrued administrative leave. The value of accrued administrative leave shall be calculated using Employee's prevailing pay rate on the date of Employee's separation from City service.

5. Subsection 6.8 CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM ("CalPERS") – the subsection set forth shall be amended in its entirety to read as follows:

Employee falls under "Peptra", and accordingly is covered by the 2% at 62 CalPERS retirement formula. Employee will pay the mandatory CalPERS contribution rate for employee members as determined by CalPERS.

6. Subsection 6.17 AUTO ALLOWANCE (a) – the subsection set forth below shall be amended in its entirety to read as follows:

City shall provide to Employee a monthly automobile allowance of Eight Hundred Dollars (\$800.00). Such amount is intended to reimburse Employee for all costs associated with the use of Employee's automobile for City business, including but not limited to all applicable costs of automobile liability insurance, maintenance, operating expenses, depreciation and interest.

7. Subsection 6.15 DEFERRED COMPENSATION – the subsection set forth below shall be amended in its entirety to read as follows:

City shall contribute Four Hundred Dollars (\$400.00) per month into a qualified 457 plan.

8. Section 7.0 EXPENSE REIMBURSEMENT – the section set forth below shall be amended in its entirety to read as follows:

7.0 PROFESSIONAL EXPENSE REIMBURSEMENT

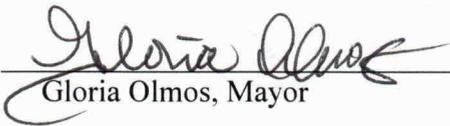
The City recognizes that Employee may incur certain expenses of a non-personal and job-related nature in performance of the duties necessary to the City Manager's service to the City. To the extent that such costs may be budgeted by the City, the City shall reimburse Employee for professional membership dues, fees, attendance at professional conferences and other job-related costs. Reimbursement for attendance at professional conferences shall be limited to Two Thousand Five Hundred Dollars (\$2,500) per conference. The City shall reimburse Employee upon presentation to the City of verified receipts for sums necessarily incurred by Employee in the performance of Employee's duties or as otherwise budgeted for by the City, so long as the expenses are in accordance with the City's policies and state laws.

9. Except as otherwise set forth in this First Amendment the Master Agreement shall remain binding, controlling, and in full force and effect. This First Amendment, together with the Master Agreement, shall constitute the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed in both documents.

10. The provisions of this First Amendment shall be deemed a part of the Master Agreement and except, as otherwise provided under this First Amendment, the Master Agreement and all provisions contained therein shall remain binding and enforceable. In the event of any conflict or inconsistency between the provisions of this First Amendment and the provisions of the Master Agreement, the provisions of this First Amendment shall control, but only in so far as such provisions conflict with the Master Agreement and no further.

(SIGNATURES ON NEXT PAGE)

CITY OF SOUTH EL MONTE:

By: 
Gloria Olmos, Mayor

EMPLOYEE:

By: 
Rene Salas, City Manager

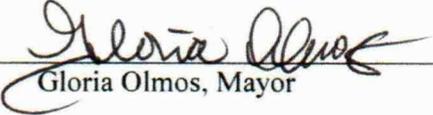
ATTEST:

By: 
Adrian Garcia, MMC, City Clerk

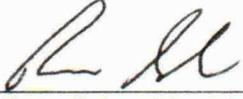
APPROVED AS TO FORM:

By: See Attached
Susie A. Altamirano, Interim City Attorney

CITY OF SOUTH EL MONTE:

By: 
Gloria Olmos, Mayor

EMPLOYEE:

By: 
Rene Salas, City Manager

ATTEST:

By: 
Adrian Garcia, MMC, City Clerk

APPROVED AS TO FORM:

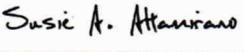
By: 
Signed by:
Susie A. Altamirano, Interim City Attorney

EXHIBIT A

CITY OF SOUTH EL MONTE

CITY MANAGER EMPLOYMENT AGREEMENT

This City Manager EMPLOYMENT AGREEMENT ("Agreement") is entered into and made effective the 24th day of January 2023, by and between the CITY OF SOUTH EL MONTE, a general law city and municipal corporation ("City") and Rene Salas, an individual ("Employee").

RECITALS

WHEREAS, it is the desire of the City Council of the City of South El Monte (hereinafter the "City Council") to appoint an individual to serve in the position of City Manager, which position is prescribed by state law and the City's Municipal Code; and

WHEREAS, California Government Code Section 34852 provides that an ordinance establishing a city manager form of government shall define the powers and duties of the city manager; and

WHEREAS, the duties of the city manager of the City are set forth in South El Monte Municipal Code ("SEMMC") Sections 2.08.060; and

WHEREAS, pursuant to SEMMC Section 2.08.020(A), "[t]he city manager shall be appointed by the council solely on the basis of executive and administrative qualifications and ability and shall hold office at and during the pleasure of the council[;]" and

WHEREAS, the City requires the services of a City Manager; and

WHEREAS, the duties of the City Manager are set forth in full in Exhibit "A" to this Agreement; and

WHEREAS, Employee was appointed as Public Works Director for the City on September 5, 2017 pursuant to an Employment Agreement entered into on September 12, 2017; and

WHEREAS, Employee began serving as the City's Interim Community Development Director on December 11, 2019 in addition to continuing to serve as Public Works Director; and

WHEREAS, effective September 22, 2020, Employee was appointed to serve as the City's Deputy City Manager pursuant to the terms and conditions of an employment agreement between Employee and the City (the "Deputy City Manager Employment Agreement"); and

WHEREAS, Employee was appointed as Interim City Manager on July 12, 2022 pursuant to the Interim City Manager Employment Agreement between Employee and the City (the "Interim City Manager Employment Agreement"); and

WHEREAS, based on Employee's executive and administrative qualifications and ability, the City Council desires to employ Employee to serve as the City Manager; and

WHEREAS, Employee has the required level of education, experience, skills and expertise to serve as the City Manager of the City; and

WHEREAS, Employee desires to perform and assume responsibility for the provision of City Manager services to the City; and

WHEREAS, the parties wish to establish the terms and conditions of Employee's provision of City Manager professional services to the City through this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City and Employee hereby agree as follows:

AGREEMENT

1.0 EMPLOYMENT & DUTIES

1.1 Duties. City hereby employs Employee as City Manager for the City to perform the functions and duties of the City Manager position as set forth in Exhibit "A", and to perform such other legally permissible and proper duties and functions as the City Council shall, from time-to-time, direct or assign. The City reserves the right to amend the job description for City Manager attached hereto as Exhibit "A", which defines City Manager functions and duties, as it deems necessary and appropriate, without requiring Employee's acquiescence or an amendment of this Agreement. Employee agrees to perform all such functions and duties to the best of Employee's ability and in an efficient, competent, and ethical manner.

1.2 Work Schedule. It is recognized that Employee 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. Employee acknowledges that proper performance of the duties of City Manager will require Employee to generally observe normal business hours, as set by the City and may be duly revised from time-to-time (currently 7:00 a.m. to 5:30 p.m., Monday through Thursday), and will also often require the performance of necessary services outside of normal business hours. Notwithstanding the foregoing, the City will permit Employee such reasonable "time off" as is customary for exempt employees of the City, so long as the time off does not interfere with normal business. Employee's compensation (whether salary or benefits or other allowances) is not based on hours worked, and Employee shall not be entitled to any compensation for overtime.

1.3 Other Activities. Employee shall focus his professional time, ability, and attention to City business during the term of this Agreement. Employee shall not engage, without the express prior written consent of the City Council, in any other business duties or pursuits whatsoever, or directly or indirectly render any services of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, that is or may be competitive with the City, that might cause a conflict-of-interest with the City, or that otherwise might interfere with the business or operation of the City or the satisfactory performance of the functions and duties of City Manager.

1.4 Employment Status. Upon appointment to the City Manager position, Employee shall serve at the will and pleasure of the City Council and understands that he shall be

an “at-will” employee without recourse to bumping or other demotion rights and shall be subject to summary dismissal without any right of notice or hearing except as expressly provided in this Agreement, including any so-called due process pre-disciplinary “Skelly” hearing. The City may terminate Employee at any time in accordance with Section 3.4 below.

1.5 City Documents. All data, studies, reports and other documents prepared by Employee while performing his duties during the term of this Agreement shall be furnished to and become the property of the City, without restriction or limitation on their use. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Employee in connection with the performance of this Agreement shall be held confidential by Employee to the extent permitted by applicable law, except as may be required by any governmental agency or court of competent jurisdiction. Such materials shall not be used by Employee, without the prior written consent of the City Council, for any purposes other than the performance of his duties. Additionally, no such materials may be disclosed to any person or entity not connected with the performance of services under this Agreement, except as required by (a) law, (b) any governmental agency, (c) subpoena, or (d) an order issued by a court of competent jurisdiction.

1.6 Exclusion from Classified Service. Employee understands, acknowledges and agrees that he is not included within the classified service of the City pursuant to South El Monte Municipal Code §2.64.010(H)(7).

1.7 FLSA Exempt Status. Employee acknowledges and agrees that his position is that of an exempt employee for the purposes of the Fair Labor Standards Act.

2.0 COMPENSATION

2.1 Compensation. For the services rendered pursuant to this Agreement, Employee’s base monthly compensation shall be Sixteen Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$16,666.67 per month to equal \$200,000.00 annually) (the “Salary”), which shall be paid on a pro-rated basis bi-weekly at the same time as other employees of the City are paid. Such Salary shall be adjusted for payroll taxes, workers’ compensation, and other payroll-related liability costs.

2.2 Annual Salary Review. The City Council and Employee agree to conduct an annual salary review concurrently with any annual performance evaluation conducted pursuant to Section 5.2. Following the annual performance review, the City Council may, in its sole discretion, increase Employee’s salary. The City Council and/or the Employee reserve the right to defer or refuse any or all part of any base salary adjustment if either party determines that the fiscal state of the City warrants such action.

3.0 TERM

3.1 Commencement & Effective Date. Employee shall commence services as City Manager hereunder effective January 25, 2023, and such date will also be deemed the effective date of this Agreement (“Effective Date”). The Parties agree that upon Employee’s

appointment to the position of City Manager, the Deputy City Manager Employment Agreement and Interim City Manager Employment Agreement shall automatically terminate and be of no further force and effect.

3.2 Term. The term of this Agreement will be for two (2) years following the Effective Date (“Term”) (i.e. from January 25, 2023 until January 24, 2025).

3.3 Termination by Employee. Employee may terminate this Agreement at any time, provided Employee provides the City Council with at least thirty (30) days’ advance written notice. In the event Employee terminates this Agreement, Employee expressly agrees that he shall not be entitled to any severance pay.

3.4 Termination by City. The City Council may terminate this Agreement at any time, with or without cause, by providing written notice to the Employee. The City Council’s right to terminate Employee pursuant to this Section 3.4 shall not be subject to or in any way limited by the City’s Personnel Rules or past City practices related to the employment, discipline or termination of the City’s employees. Employee expressly waives any rights provided for the City Manager under the City’s Personnel Rules, Municipal Code, or under other state or federal law to any other form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination. Nothing herein, however, shall be construed to create a property interest, where one does not exist by rule of law, in the position of City Manager. Upon appointment to the City Manager position, Employee shall be an at-will employee serving at the pleasure of the City Council.

(a) Termination by City For Cause. The City may terminate this Agreement for cause at any time by providing Employee with five (5) business days’ written notice of the termination for cause and the facts and grounds constituting such cause. The term “cause” shall be defined to include any misconduct materially related to performance of official duties, including but not be limited to any of the following: 1) Breach of this Agreement, 2) Willful or persistent material breach of duties, 3) Résumé fraud or other acts of material dishonesty, 4) Unauthorized absence or leave, 5) Conviction of a misdemeanor involving moral turpitude (i.e., offenses contrary to justice, honesty, or morality) or conviction of a felony under California law, 6) Violation of the City’s anti-harassment policies and/or a finding that legally prohibited personal acts of harassment against a City official or employee or legally prohibited personal acts of discrimination against a City official or employee has occurred, 7) Violation of the City’s Municipal Code, Ordinances, Rules, and Regulations, including but not limited to the City’s Personnel Rules, 8) Use or possession of illegal drugs, 9) Engaging in conduct tending to bring embarrassment or disrepute to the City, 10) Any illegal or unethical act involving personal gain, 11) A pattern of repeated, willful and intentional failure to carry out materially significant and legally constituted direction or policy decisions of the City Council, 12) Gross misfeasance or gross malfeasance, and 13) “abuse of office or position” as defined in Government Code §53243.4 (i.e., waste, fraud, and violation of the law under color of authority and crimes against public justice, including crimes involving bribery and corruption). For any of the foregoing, the City may, in its discretion, place Employee on paid or unpaid administrative leave until resolution. If the City terminates for cause this Agreement and the services of Employee hereunder, the City shall have no obligation to pay severance.

(b) Termination by City Manager Without Cause. The City Council may terminate Employee at any time without cause but rather based upon management reasons such as implementing the City's goals or policies, including but not limited to: (i) change of administration, or (ii) incompatibility of management styles. In the event Employee is terminated without cause, Employee expressly agrees that he shall not be entitled to any severance pay as the result of the termination of this Agreement except as provided in Section 4.1 below.

4.0 SEVERANCE

4.1 Severance Pay - Six Months. In the event Employee is terminated without cause and does not challenge such termination, including but not limited to by means of appeal or civil or administrative claim, then City shall pay to Employee severance in an amount equal to his monthly base Salary (as defined in Section 2 above) then in effect multiplied by six (6), less applicable deductions and excluding deferred compensation or the value of any other benefits.

Notwithstanding the foregoing, Government Code Section 53260 provides that all contracts of employment with a city must include a provision limiting the maximum cash settlement for the termination of the contract to the monthly salary (excluding benefits) multiplied by the number of months left on the unexpired term, but not more than 18 months if the unexpired term exceeds 18 months. Accordingly, should such proposed severance payment exceed the amount authorized to be paid under Government Code Section 53260, then the amount paid to Employee shall be reduced in the amount necessary to comply with such statute. (For example, if termination occurs with two (2) months left in the term, severance would be equal to the monthly base salary multiplied by two (2) rather than the six (6) months provided in this Section.)

4.2 No Severance Pay if Termination for Cause or Initiated by Employee. As provided in Section 3.4(a), should Employee be terminated for cause, the City shall have no obligation to pay the severance provided for in Section 4.1 above. As provided in Section 3.3, should Employee initiate termination of this Agreement, the City shall have no obligation to pay the severance provided for in Section 4.1 above. Furthermore, in the event this Agreement expires by its own term as provided in Section 3.2 above, then the City shall have no obligation to pay the severance provided for in Section 4.1 above.

4.3 Sole Rights. The severance rights provided in this Section 4.0 shall constitute the sole and only entitlement of Employee with respect to severance pay in the event of the termination, other than for cause. Employee expressly waives any and all other rights with respect to severance pay except as provided herein. Any and all severance rights are conditioned upon and in consideration for execution of the standard "Agreement of Separation, Severance, and General Release" attached hereto in form only as Exhibit "B."

5.0 PERFORMANCE EVALUATIONS

5.1 Purpose. The performance review and evaluation process set forth herein is intended to provide review and feedback to Employee so as to facilitate a more effective management of the City. Nothing herein shall be deemed to alter or change the employment status of Employee (as set forth in Section 1.4 above), nor shall this Section 5.0 be construed as requiring "cause" to terminate this Agreement, or the services of Employee hereunder.

5.2 Evaluation. The City Council may, in its discretion, review and evaluate the performance of Employee within 180 days following the Effective Date, and thereafter within one month following each anniversary of the Effective Date. In addition, Employee shall submit for the City Council's consideration, no later than December 1 of each year of the term of this Agreement, Employee's proposed annual performance goals and objectives and incorporate the City Council's suggestions. Such review and evaluation shall be conducted in accordance with the purpose noted in Section 5.1 above.

5.3 Written Summary. The City Council may, at its sole discretion, elect to provide a written summary of each performance evaluation to Employee within two (2) weeks following the conclusion of the review and evaluation process, and may, at its discretion, schedule at least one (1) closed personnel session with Employee to deliver and discuss the evaluation.

6.0 BENEFITS

6.1 Holidays. The City shall provide Employee with the following holidays with pay:

1. New Year's Day
2. Martin Luther King Day
3. Presidents' Day
4. Cesar Chavez Day
5. Memorial Day
6. Independence Day
7. Labor Day
8. Columbus Day
9. Veterans' Day
10. Thanksgiving Day
11. Christmas Day
12. Employee's Birthday
13. Juneteenth Day

Cesar Chavez Day, Juneteenth Day, and Employee's Birthday are not observed holidays. Employee shall earn one floating holiday for Cesar Chavez Day, Juneteenth Day and Employee's Birthday. Employee may use the floating holidays on any scheduled workday with prior City Manager approval. Employee shall not accrue more than three (3) floating holidays. Upon Employee's separation from City service for any reason, the City shall compensate Employee for any accrued floating holidays. The value of accrued floating holidays shall be calculated using Employee's prevailing pay rate on the date of Employee's separation from City service.

6.2 Administrative Leave. Employee will be granted 40 hours of administrative leave per fiscal year. Employee shall not accrue more than 40 hours of administrative leave. Employee shall not use less than one (1) hour of administrative leave at any one time. Administrative leave must be used and deducted from accruals on an hour by hour basis for time missed from normal work hours which for purposes of this section are deemed to be

normal City operating hours. Upon Employee's separation from City service for any reason, the City shall compensate Employee for any accrued administrative leave. The value of accrued administrative leave shall be calculated using Employee's prevailing pay rate on the date of Employee's separation from City service.

6.3 Bereavement Leave. Employee shall be entitled to bereavement leave for a period not exceeding three (3) workdays for deaths within the Employee's immediate family. Immediate family is defined as any relative by blood or marriage who is a member of the Employee's household (under the same roof), and the Employee's spouse, registered domestic partner, parents or step-parents; spouse's parents or step-parents; brothers, step-brothers or half-brothers; sisters, step-sisters or half-sisters; Employee's grandparents; spouse's grandparents; grandchildren; aunts and uncles, in-laws, regardless of the residence of the deceased.

6.4 Time Off For Jury Duty. The City shall grant up to 22 business days off to Employee if he is required to serve on jury duty, with compensation at Employee's existing pay rate. The Employee shall remit to the City any money paid to him by the court for jury service.

6.5 Health Benefits. The City, only while it participates in the California Public Employees' Retirement System Medical and Hospital Care Plan ("PERS Plan"), shall make the following contributions towards the cost of medical insurance for Employee: the City will contribute directly to PERS an amount to be applied to the applicable PERS Plan monthly premium. The City will contribute an amount equal to the actual monthly premium for the plan and applicable number of dependents (employee only, employee & 1 dependent or employee & 2 or more dependents), not to exceed the monthly premium rate established by Kaiser Permanente for its Family Health Plan. Employee will pay any premium amount above the maximum City contribution by payroll deduction. If Employee does not enroll in any medical insurance plan offered by the City, then in lieu of the City contribution to health benefits provided pursuant to this section 6.5 Employee shall instead receive a deferred compensation payment of \$600 per month. To be eligible for the \$600 deferred compensation payment, Employee must submit to the City written proof of duplicate medical insurance coverage. The City reserves the right to enhance, reduce, terminate, and amend or to otherwise change its health and other benefit programs at any time.

6.6 Vision and Dental Insurance. The City shall pay the monthly vision and dental insurance premiums for Employee and his eligible dependents.

6.7 Life Insurance, Accidental Death Insurance and Long-Term Disability Insurance: The City shall pay 100% of the cost of term life insurance equal to Employee's annual salary, accidental death and dismemberment insurance equal to Employee's annual salary, and long-term disability insurance equal to two-thirds of Employee's monthly salary. The long-term disability insurance plan shall provide a 30-day benefit exclusion and benefit payments until the age of 70 years.

6.8 California Public Employees' Retirement System ("CalPERS").

Employee is a "Classic" local miscellaneous member, and accordingly is covered by the 2% @ 60 CalPERS retirement formula (Miscellaneous Second Tier). Employee will pay the mandatory CalPERS contribution rate for miscellaneous second tier "Classic" members as determined by CalPERS, which amount is currently 7.0%.

6.9 Retiree Health Benefits. Should Employee retire from the City as a CalPERS eligible retiree, the City will contribute an amount toward the CalPERS medical premium that is equal to the amount required under the City's resolution electing coverage under the Public Employees Medical and Hospital Care Act ("PEMHCA"), which is the minimum amount required by the PEMHCA. The City shall have no obligation to make such contribution in the event it no longer participates in the CalPERS medical and hospital care program. Provided that Employee has reached the minimum age of 50 years of age and retired from the City as a CalPERS eligible retiree, he shall continue to be eligible to participate in the City's group medical, dental and vision care plans until age 65, contingent upon the health provider's acceptance. The full cost of any insurance selected by the retiree shall be borne by the retiree. As long as the retiree is enrolled in an insurance plan his eligible dependents may also enroll in the insurance plans as provided above. The retiree and/or dependent shall pay any cost of dependent insurance benefits.

6.10 Purchase of Home Office Equipment. The City will advance up to a total of \$3,000 to Employee for the purpose of acquiring a personal computer and appurtenant types of office equipment which the Employee will utilize at his home to facilitate work production outside normal business hours. More than one such advance may be made, but at no time may the combined total of all outstanding advances exceed \$3,000. Funds will be advanced only after the need for the equipment is verified and approved by the City Council and a reimbursement agreement, approved by the City Attorney, is executed.

6.11 Reimbursement For Damage To Employee Vehicles. The City agrees to reimburse Employee in an amount not to exceed \$200 per fiscal year for damages due to or caused by vandalism to Employee's vehicle while on City property during Employee's working hours. In order to be eligible for reimbursement, Employee must submit an incident report and a Sheriff's report to the Risk Manager regarding the incident causing the damage to the vehicle.

6.12 Education Reimbursement. The City will reimburse Employee for the cost of all books and tuition incurred by Employee while attending an accredited educational institution for those courses directly related to the Employee's scope of employment or which are contained within an approved curriculum of study that is directly related to the Employee's scope of employment. Tuition shall be reimbursed at rates up to the tuition rates of the California State University system. As may be required by the City's financial status, said reimbursement may be reduced at the City Council's sole discretion wherein it adopts a City budget reducing this education reimbursement amount. The City will reimburse the Employee for all classes the Employee completes with a grade of "C" or better provided Employee: i) provides a list of classes to the City Council prior to each quarter or semester; ii) provides to the City Council verification of the cost for tuition and books; and iii) provides to the City Council certification of completion upon completion of the course(s).

6.13 Vacation Leave.

(a) Employee may accrue up to a maximum of 320 hours of unused vacation leave. Upon reaching 320 hours, Employee shall earn no additional vacation accrual until his balance of accrued but unused vacation leave is reduced below 320 hours. Upon a written administrative determination by the City Council that work demands prevent Employee from using vacation time on a timely basis, the City Council may permit Employee to exceed the maximum accrual cap by a specified amount and for a specified time, not to exceed 40 hours of vacation time and not to exceed a duration of 6 months. The City Council may also require a plan designed to bring Employee back into compliance with vacation accrual limitations. It is the responsibility of Employee to arrange for timely use or, to the extent available, cash conversion of vacation time well in advance of reaching the maximum accrual limit.

(b) Employee shall not use less than one (1) hour of vacation leave at any one time. Vacation leave must be used and deducted from accruals on an hour by hour basis for time missed from normal work hours which for purposes of this section are deemed to be normal City operating hours.

(c) If Employee has accrued in excess of 250 hours, he may be paid for the excess vacation on a dollar-for-dollar basis twice per year at the end of the fiscal year or end of the calendar year subject to the following:

1. Employee must have taken minimum hours of vacation in the fiscal year so that at the end of the fiscal year the vacation accrual does not exceed 320 hours.

2. The payout must otherwise comply with any City rules and procedures pertaining to vacation leave cash-out.

3. In the event vacation leave cash out procedures are changed for other City employees, then Employee shall be subject to such updated vacation leave cash out procedures.

(d) Employee shall be credited with vacation leave at the following rates based upon the length of service:

1. Eight hours per month (accrued at the rate of four hours bi-weekly for 24 of the 26 pay periods annually) during the first five years of service;

2. Ten hours per month (accrued at the rate of five hours bi-weekly for 24 of the 26 pay periods annually) during the sixth through the tenth years of service;

3. Twelve hours per month (accrued at the rate of six hours bi-weekly for 24 of the 26 pay periods annually) during the 11th through 15th years of

service; and

4. Thirteen hours per month (accrued at the rate of six and one-half hours bi-weekly for 24 of the 26 pay periods annually) during the 16th and following years of service.

6.14 Sick Leave.

(a) Employee shall continue to accrue sick leave at the rate of eight (8) hours of sick leave for each complete month of service.

(b) Employee may accrue an unlimited number of sick leave hours. Employee shall not use less than one (1) hour of sick leave at any one time. Sick leave must be used and deducted from accruals on an hour by hour basis for time missed from normal work hours which for purposes of this section are deemed to be normal City operating hours.

(c) If Employee accrues in excess of 330 hours, Employee may opt to be paid for up to 80 hours on a dollar for-dollar basis one-time per fiscal year during the payroll that includes March 31st. In the event sick leave cash out procedures are changed for other City employees, then Employee shall be subject to such updated sick leave cash out procedures.

(d) Upon separation, Employee shall be eligible to receive monetary compensation for any unused sick leave based on the table below. Years of service shall be calculated based on the Employee's anniversary date.

Years of Service	Value of Sick Leave
0-4 years	0%
5 - 10 years	10%
11 - 15 years	15%
16 years and above	20%

6.15 Deferred Compensation. City shall contribute \$300.00 per month into a qualified 457 plan.

6.16 Cellular Phone. At no cost to Employee, City shall provide Employee with the use of a City-owned cellular phone. Employee shall reimburse City for all cell phone charges incurred for personal use not related to the performance of his job.

6.17 Automobile Allowance.

(a) City shall provide to Employee a monthly automobile allowance of \$600.00. Such amount is intended to reimburse Employee for all costs associated with the use of Employee's automobile for City business, including but not limited to all

applicable costs of automobile liability insurance, maintenance, operating expenses, depreciation and interest.

(b) Employee shall maintain all records required by applicable California and federal law concerning use of such automobile, including without limitation records to substantiate personal and City-related use of such automobile.

(c) Employee shall maintain automobile liability insurance policy with \$100,000/300,000/50,000 maximum coverage, combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts arising out of the operation of the automobile. Unless otherwise required by the City, Employee will maintain a policy with such coverage and limits throughout the term of this Agreement. If City requires Employee to secure and maintain an insurance policy with greater coverage than said coverage set forth in the insurance policy currently insuring Employee, and as a result of such requirement Employee's premium cost for such policy containing greater coverage is higher than the premium cost of his insurance policy, City shall pay the difference. Employee shall name City, and its Council members, officials and employees as additional insured on his policy; and deliver to City copies of such insurance endorsements and certificate of insurance. Such insurance policy shall provide that the insurance coverage shall not be canceled, reduced or otherwise modified by Employee or by Employee's insurance carrier without at least 30 days prior written notice, served on City personally by said insurance company.

6.18 Changes in Compensation and Benefits. Employee acknowledges that the City Council may in the future adopt a resolution establishing compensation and benefits for the City's executive employees including the City Manager, which may apply to the City Manager and reduce the level of compensation (exclusive of Employee's base salary) or benefits provided. In the event the level of compensation or benefits provided to Employee changes (whether by increase or decrease), the Parties agree that such changes shall not be deemed material or a breach of this Agreement.

7.0 EXPENSE REIMBURSEMENT

The City recognizes that Employee may incur certain expenses of a non-personal and job-related nature in performance of the duties of the position of City Manager. The City agrees to reimburse the actual cost of such expenses, which are authorized for reimbursement and incurred and submitted according to the City's normal expense approval and reimbursement procedures. To be eligible for reimbursement, all expenses must be supported by an appropriate receipt therefore and submitted within time limits established by the City, in accordance with AB 1234 and any applicable City ordinances, resolutions, rules, policies or procedures.

8.0 BONDS AND INDEMNIFICATION

8.1 Indemnification. To the extent mandated by the California Government Code, the City shall defend, hold harmless, and indemnify Employee 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 Employee's services under this Agreement. This section shall not apply to any intentional tort or crime committed by Employee, to any action outside the course and scope

of the services provided by Employee under this Agreement, or any other intentional or malicious conduct or gross negligence of Employee.

8.2 Bonds. City shall bear the full cost of any fidelity or other bonds, which may be required in the performance of Employee's services under this Agreement.

9.0 GENERAL PROVISIONS

9.1 Entire Agreement. This Agreement represents the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing, between the parties with respect to Employee's employment by the City and contains all of the covenants and agreements between the parties with respect to such employment. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by either party, or anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement or promises not contained in this Agreement shall be valid or binding upon either party.

9.2 Amendment. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing, which amendment shall require City Council approval.

9.3 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:

Mayor
City of South El Monte
1415 Santa Anita Ave.
South El Monte, California 91733

To Employee:

Rene Salas
[On file with Human Resources Dept.]

With a copy to:

City Attorney of City of South El Monte
Aleshire & Wynder, LLP
18881 Von Karman Ave., Suite 1700
Irvine CA, 92612

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.

9.4 Conflicts Prohibited. During the term of this Agreement, Employee shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of Employee's duties under this Agreement. Employee shall comply with all requirements of law, including but not limited

to, Sections 87100 *et seq.*, Section 1090 and Section 1125 of the Government Code, and all other similar statutory and administrative rules.

9.5 Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

9.6 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

9.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, which are in full force and effect as of the date of execution and delivery by each party hereto.

9.8 AB 1344. Assembly Bill 1344, which was subsequently enacted as Government Code §§ 53243 - 53243.4, sought to provide greater transparency in local government and institute certain limitations on compensation paid to local government executives. These statutes also require that contracts between local agencies and its employees include provisions requiring an employee who is convicted of a crime involving an abuse of her/his office or position to provide reimbursement to the local agency for the following forms of payment: (i) paid leave salary; (ii) criminal defense costs; (iii) cash settlement payments; and (iv) any non-contractual settlement payments. Accordingly, the Parties agree that it is their mutual intent to fully comply with these Government Code sections and all other applicable law as it exists as of the date of execution of this Agreement and as such laws may be amended from time to time thereafter. Specifically, the following Government Code sections are called out and hereby incorporated by this Agreement:

§53243. Reimbursement of paid leave salary required upon conviction of crime involving office or position.

§53243.1. Reimbursement of legal criminal defense upon conviction of crime involving office or position.

§53243.2. Reimbursement of cash settlement upon conviction of crime involving office or position.

§53243.3. Reimbursement of noncontractual payments upon conviction or crime involving office or position.

§53243.4. "Abuse of office or position" defined.

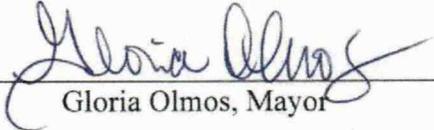
Employee represents that Employee has reviewed, is familiar with, and agrees to comply fully with each of these provisions if any of these provisions are applicable to Employee, including that Employee agrees that any cash settlement or severance related to a termination that Employee may receive from the City shall be fully reimbursed to the local agency if Employee is convicted of a

crime involving an abuse of Employee's office or position. The Government Code provisions referenced in this section are attached hereto in Exhibit "C".

9.9 Independent Legal Advice. The City and Employee represent and warrant to each other that each has received legal advice from independent and separate legal counsel with respect to the legal effect of this Agreement, or has had the opportunity to do so, and the City and Employee further represent and warrant that each has carefully reviewed this entire Agreement and that each and every term thereof is understood and that the terms of this Agreement are contractual and not a mere recital. This Agreement shall not be construed against the party or its representatives who drafted it or who drafted any portion thereof.

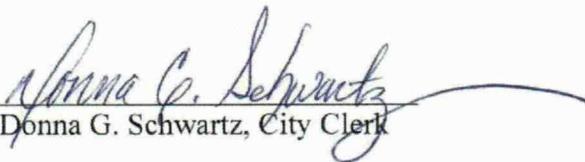
IN WITNESS WHEREOF, the City of South El Monte has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and Employee has signed and executed this Agreement, all in triplicate.

CITY OF SOUTH EL MONTE



Gloria Olmos, Mayor

ATTEST:



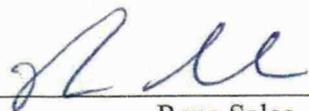
Donna G. Schwartz, City Clerk

APPROVED AS TO FORM:



Anthony R. Taylor, City Attorney

EMPLOYEE



Rene Salas

EXHIBIT "A"

The City Manager reports directly to the City Council. The City Manager requires an ability to understand and relate to South El Monte as a highly urbanized, densely populated, bi-cultural and socio-economically challenged community. The expectation is for the City Manager to be active and engaged within the community and be aware of resident interests and concerns.

EXAMPLE OF DUTIES

Duties may include, but are not limited to, the following:

- Maintains a proactive communication and positive work relationship with both elected officials and City staff.
- Ability to provide objective guidance and counsel along with creative and pragmatic alternatives to the Council.
- High expectation level to keep elected officials informed and aware of city operations and key projects.
- Provide operational leadership by employing strong management and administrative experience coupled with excellent interpersonal skills.
- Attend City Council meetings.
- Perform other duties as requested by the City Council.

EMPLOYMENT STANDARDS

Knowledge and Abilities:

- Strong background in the oversight of capital improvement projects, economic development initiatives and in working with various regional partners is required;
- Establish and maintain effective relationships with the City Council and other public officials;
- Ability to work within a multi-cultural community environment
- Plan, organize, and direct the work of the executive team;
- Represent the City in a variety of meetings;
- Communicate clearly and concisely, both orally and in writing;
- Analyze unusual situations and resolve them through application of management principles and finance practices; and
- Deal constructively with conflict and develop effective resolutions.

EXHIBIT "B"

AGREEMENT OF SEPARATION, SEVERANCE, AND GENERAL RELEASE

1. PARTIES

This Agreement of Separation, Severance, and General Release (hereinafter referred to as the "AGREEMENT") is entered into by and between the City of South El Monte, a general law city and municipal corporation (hereinafter referred to as "THE CITY"), and Rene Salas, an individual (hereinafter referred to as "EMPLOYEE").

2. RECITALS

2.1. EMPLOYEE was hired by THE CITY as an at-will City Manager effective January 25, 2023, serving at the pleasure of the City Council of THE CITY pursuant to a written contract, a copy of which is attached hereto as Exhibit "A" ("THE CONTRACT").

2.2. THE CITY and EMPLOYEE desire that EMPLOYEE resign and enter into a severance agreement whereby EMPLOYEE receives severance compensation in exchange for executing a general release and waiver of any and all claims that EMPLOYEE may have against THE CITY, including but not limited to its elected and non-elected officials, employees, attorneys, and agents. Accordingly, the parties hereto intend by this AGREEMENT to mutually conclude any and all employment relationships between THE CITY and EMPLOYEE by means of EMPLOYEE's voluntary separation as of _____, _____. This AGREEMENT sets forth the full and complete terms and conditions concluding EMPLOYEE's employment relationship with the CITY and any obligations related thereto, including any provided under THE CONTRACT.

2.3 In accordance with this AGREEMENT and with applicable state and federal laws, EMPLOYEE acknowledges that EMPLOYEE has been advised of EMPLOYEE's post-employment rights, including but not limited to, EMPLOYEE's rights under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Employee Retirement Income Security Act of 1974 ("ERISA"), and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

3. CONSIDERATION

3.1 EMPLOYEE shall receive payment to him at the time of his voluntary separation all earned salary, accrued fringe benefits as detailed in THE CONTRACT, and/or all other wage compensation/benefits owed to EMPLOYEE upon separation of employment, as required by law or THE CONTRACT or any other agreement with THE CITY.

3.2. In exchange for the waivers and releases set forth herein, THE CITY shall also cause to be paid to EMPLOYEE an additional compensatory payment by means of severance, settlement and release in the form of a lump sum amount of _____ and _____ cents (\$_____.00), as set forth in THE CONTRACT in the form of a check made payable to EMPLOYEE to be mailed to EMPLOYEE at EMPLOYEE's home address via certified mail return receipt requested within _____ () business days after the EFFECTIVE DATE (as defined below) of this AGREEMENT.

3.3 In exchange for the severance payment provided for herein, EMPLOYEE, and on behalf of EMPLOYEE's spouse, heirs, representatives, successors, and assigns, hereby releases, acquits, and forever discharges THE CITY, and each of its predecessors, successors, assigns, officials, employees, representatives, agents, insurers, attorneys, and all persons and entities acting by, through, under, or in concert with any of them, and each of them (hereinafter referred to as "THE CITY PARTIES"), from any and all claims, charges, complaints, contracts, understandings, liabilities, obligations, promises, benefits, agreements, controversies, costs, losses, debts, expenses, damages, actions, causes of action, suits, rights, and demands of any nature whatsoever, known or unknown, suspected or unsuspected, which EMPLOYEE now has or may acquire in the future, or which EMPLOYEE ever had, relating to or arising out of any act, omission, occurrence, condition, event, transaction, or thing which was done, omitted to be done, occurred or was in effect at any time from the beginning of time up to and including _____, ____ (hereinafter referred to collectively as "CLAIMS"), without regard to whether such CLAIMS arise under the federal, state, or local constitutions, statutes, rules or regulations, or the common law. EMPLOYEE expressly acknowledges that the CLAIMS forever barred by this AGREEMENT specifically include, but are not limited to, claims based upon any alleged breach of THE CONTRACT or any other agreement of employment, any demand for wages, overtime or benefits, any claims of violation of the provisions of ERISA, COBRA or HIPAA, any alleged breach of any duty arising out of contract or tort, any alleged wrongful termination in violation of public policy, any alleged breach of any express or implied contract for continued employment, any alleged employment discrimination or unlawful discriminatory act, or any claim or cause of action including, but not limited to, any and all claims whether arising under any federal, state or local law prohibiting breach of employment contract, wrongful termination, or employment discrimination based upon age, race, color, sex, religion, handicap or disability, national origin or any other protected category or characteristic, and any and all rights or claims arising under the California Labor Code or Industrial Welfare Commission Wage Orders, the Federal Fair Labor Standards Act, the California Fair Employment and Housing Act, California Government Code §§12900 *et seq.*, the Americans With Disabilities Act, Title VII of the Civil Rights Act of 1964, the Public Safety Officers Procedural Bill of Right Act, and any other federal, state, or local human rights, civil rights, or employment discrimination or employee rights statute, rule, or regulation.

4. SPECIFIC ACKNOWLEDGMENT OF WAIVER OF CLAIMS UNDER ADEA AND OWBPA

The Age Discrimination in Employment Act of 1967 (hereinafter referred to as the "ADEA") makes it illegal for an employer to discharge any individual or otherwise discriminate with respect to the nature and privileges of an individual's employment on the basis that the individual is age forty (40) or older. The Older Workers Benefit Protection Act (hereinafter referred to as the "OWBPA," 29 U.S.C. § 626 *et seq.*, Pub L 101-433, 104 Stat. 978 (1990)) further augments the ADEA and prohibits the waiver of any right or claim under the ADEA, **unless the waiver is knowing and voluntary**. By entering into this AGREEMENT, EMPLOYEE acknowledges that he knowingly and voluntarily, for just compensation in addition to anything of value to which EMPLOYEE was already entitled, waives and releases any rights he may have under the ADEA and/or OWBPA. EMPLOYEE further acknowledges that he has been advised and understands, pursuant to the provisions of the ADEA and OWBPA, that:

- (a) This waiver/release is written in a manner understood by EMPLOYEE;
- (b) EMPLOYEE is aware of, and/or has been advised of, her/his rights under the ADEA and OWBPA, and of the legal significance of her/his waiver of any possible claims he currently may have under the ADEA, OWBPA and/or similar age discrimination laws;
- (c) EMPLOYEE is entitled to a reasonable time of at least twenty-one (21) days within which to review and consider this AGREEMENT and the waiver and release of any rights he may have under the ADEA, the OWBPA and similar age discrimination laws; but may, in the exercise of his own discretion, sign or reject this AGREEMENT at any time before the expiration of the twenty-one (21) days;
- (d) The waivers and releases set forth in this AGREEMENT shall not apply to any rights or claims that may arise under the ADEA and/or OWBPA **after** the EFFECTIVE DATE of this AGREEMENT;
- (e) EMPLOYEE has been advised by this writing that he should consult with an attorney prior to executing this AGREEMENT;
- (f) EMPLOYEE has discussed this waiver and release with, and been advised with respect thereto by, his counsel of choice, and that he does not need any additional time within which to review and consider this AGREEMENT;
- (g) EMPLOYEE has **seven (7) days following his execution** of this AGREEMENT to revoke the AGREEMENT;
- (h) Notice of revocation within the seven (7) day revocation period must be provided, in writing, to THE CITY pursuant to Paragraph 8.9 herein, and must state, "I hereby revoke my acceptance of our Agreement of Severance and General Release;" and
- (i) This AGREEMENT shall not be effective until all parties have signed the AGREEMENT and ten (10) days have passed since EMPLOYEE's execution ("EFFECTIVE DATE").

5. UNKNOWN CLAIMS

In relation to the release provisions of Paragraphs 3 and 4 above, EMPLOYEE understands that California Civil Code section 1542 reads as follows:

"General Release--Claims Extinguished"

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

EMPLOYEE hereby waives the protection of California Civil Code section 1542.

6. WAIVER OF ADDITIONAL CLAIMS

EMPLOYEE hereby waives any provisions of state or federal law that might require a more detailed specification of the claims being released pursuant to the provisions of Paragraphs 3, 4, and 5 above.

7. REPRESENTATIONS AND WARRANTIES

Each of the parties to this AGREEMENT represents and warrants to, and agrees with, each other party as follows:

7.1. Advice of Counsel: The parties hereto have received independent legal advice from their respective attorneys concerning the advisability of entering into and executing this AGREEMENT or have been given the opportunity to obtain such advice. The parties acknowledge that they have been represented by counsel of their own choice in the negotiation of this AGREEMENT, that they have read this AGREEMENT; that they have had this AGREEMENT fully explained to them by such counsel, or have had such opportunity to do so and that they are fully aware of the contents of this AGREEMENT and of its legal effect.

7.2. No Fraud in Inducement: No party (nor any officer, agent, employee, representative, or attorney of or for any party) has made any statement or representation or failed to make any statement or representation to any other party regarding any fact relied upon in entering into this AGREEMENT, and neither party relies upon any statement, representation, omission or promise of any other party in executing this AGREEMENT, or in making the settlement provided for herein, except as expressly stated in this AGREEMENT.

7.3. Independent Investigation: Each party to this AGREEMENT has made such investigation of the facts pertaining to this settlement and this AGREEMENT and all the matters pertaining thereto, as it deems necessary.

7.4. Mistake Waived: In entering into this AGREEMENT, each party assumes the risk of any misrepresentation, concealment or mistake. If any party should subsequently discover that any fact relied upon by it in entering into this AGREEMENT was untrue, or that any fact was concealed from it, or that its understanding of the facts or of the law was incorrect, such party shall not be entitled to any relief in connection therewith, including without limitation on the generality of the foregoing any alleged right or claim to set aside or rescind this AGREEMENT. This AGREEMENT is intended to be, and is, final and binding between the parties, regardless of any claims of misrepresentation, promise made without the intent to perform, concealment of fact, mistake of fact or law, or any other circumstance whatsoever.

7.5. Later Discovery: The parties are aware that they may hereafter discover claims or facts in addition to or different from those they now know or believe to be true with respect to the matters related herein. Nevertheless, it is the intention of the parties that EMPLOYEE fully, finally and forever settle and release all such matters, and all claims relative thereto, which do now exist, may exist or have previously existed against THE CITY or THE CITY PARTIES. In furtherance of such intention, the releases given here shall be, and remain, in effect as full and complete releases of all such matters, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.

7.6. Indemnification: EMPLOYEE agrees to indemnify and hold harmless THE CITY or THE CITY PARTIES from, and against, any and all claims, damages, or liabilities sustained by them as a direct result of the violation or breach of the covenants, warranties, and representations undertaken pursuant to the provisions of this AGREEMENT. EMPLOYEE understands and agrees that he shall be exclusively liable for the payment of all taxes for which he is responsible, if any, as a result of her/his receipt of the consideration referred to in Paragraph 3 of this AGREEMENT. In addition, EMPLOYEE agrees fully to indemnify and hold the CITY PARTIES harmless for payment of tax obligations as may be required by any federal, state or local taxing authority, at any time, as a result of the payment of the consideration set forth in Paragraph 3 of this AGREEMENT.

7.7. Future Cooperation & Consultation fees: EMPLOYEE shall execute all such further and additional documents as shall be reasonable, convenient, necessary or desirable to carry out the provisions of this AGREEMENT. EMPLOYEE shall provide THE CITY with consultation services (including deposition or trial testimony) in any litigation involving THE CITY which is reasonably related to acts or occurrences transpiring during her/his employment. Said services shall be provided as needed by THE CITY at a rate of \$100.00 per hour.

7.8. Return of Confidential Information and Property: Prior to the separation date, EMPLOYEE shall submit a written inventory of, and return to the City Clerk, all City keys, equipment, computer identification cards or codes, and other equipment or materials or confidential documents provided to or obtained by EMPLOYEE during the course of her/his employment with THE CITY.

7.9. No Pending Claims and/or Actions: EMPLOYEE represents that he has not filed any complaints or charges against THE CITY or THE CITY PARTIES with any local, state or federal agency or court; that he will not do so at any time hereafter for any claim arising up to and including the EFFECTIVE DATE of this AGREEMENT; and that if any such agency or court assumes jurisdiction of any such complaint or charge against THE CITY or THE CITY PARTIES on behalf of EMPLOYEE, whenever or where ever filed, he will request such agency or court to withdraw from the matter forthwith.

7.10. Ownership of Claims: EMPLOYEE represents and warrants as a material term of this AGREEMENT that EMPLOYEE has not heretofore assigned, transferred, released or granted, or purported to assign, transfer, release or grant, any of the CLAIMS disposed of by this AGREEMENT. In executing this AGREEMENT, EMPLOYEE further warrants and represents that none of the CLAIMS released by EMPLOYEE thereunder will in the future be assigned, conveyed, or transferred in any fashion to any other person and/or entity.

7.11. Enforcement Fees and Costs: Should any legal action be required to enforce the terms of this AGREEMENT, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which that party may be entitled.

7.12. Authority: Each party represents to the other that it has the right to enter into this AGREEMENT, and that it is not violating the terms or conditions of any other AGREEMENT to which they are a party or by which they are bound by entering into this AGREEMENT. The parties represent that they will obtain all necessary approvals to execute this AGREEMENT. It is further represented and agreed that the individuals signing this AGREEMENT on behalf of the respective

parties have actual authority to execute this AGREEMENT and, by doing so, bind the party on whose behalf this AGREEMENT has been signed.

8. MISCELLANEOUS

8.1. No Admission: Nothing contained herein shall be construed as an admission by THE CITY of any liability of any kind. THE CITY denies any liability in connection with any claim and intends hereby solely to avoid potential claims and/or litigation and buy its peace.

8.2. Governing Law: This AGREEMENT has been executed and delivered within the State of California, and the rights and obligations of the parties shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

8.3. Full Integration: This AGREEMENT is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This AGREEMENT may be amended only by a further agreement in writing, signed by the parties hereto.

8.4. Continuing Benefit: This AGREEMENT is binding upon and shall inure to the benefit of the parties hereto, their respective agents, spouses, employees, representatives, officials, attorneys, assigns, heirs, and successors in interest.

8.5. Joint Drafting: Each party agrees that it has cooperated in the drafting and preparation of this AGREEMENT. Hence, in any construction to be made of this AGREEMENT, the parties agree that same shall not be construed against any party.

8.6. Severability: In the event that any term, covenant, condition, provision or agreement contained in this AGREEMENT is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such term, covenant, condition, provision or agreement shall in no way affect any other term, covenant, condition, provision or agreement and the remainder of this AGREEMENT shall still be in full force and effect.

8.7. Titles: The titles included in this AGREEMENT are for reference only and are not part of its terms, nor do they in any way modify the terms of this AGREEMENT.

8.8. Counterparts: This AGREEMENT may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one AGREEMENT, which shall be binding upon and effective as to all parties.

8.9. Notice: Any and all notices given to any party under this AGREEMENT shall be given as provided in this paragraph. All notices given to either party shall be made by certified or registered United States mail, or personal delivery, at the noticing party's discretion, and addressed to the parties as set forth below. Notices shall be deemed, for all purposes, to have been given on the date of personal service or three (3) consecutive calendar days following deposit of the same in the United States mail.

As to EMPLOYEE:

At EMPLOYEE's home address on file with THE CITY.

As to THE CITY:

Mayor
City of South El Monte
1415 Santa Anita Ave.
South El Monte, California 91733

IN WITNESS WHEREOF, THE CITY has caused this AGREEMENT to be signed and executed on its behalf by its Mayor and duly attested by its City Clerk, EMPLOYEE has signed and executed this Agreement, and the attorneys for THE CITY and EMPLOYEE, if any, have approved as to form as of the dates written below.

DATED: _____

EMPLOYEE

By: _____
Rene Salas

THE CITY

DATED: _____

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Anthony Taylor, City Attorney

[EMPLOYEE's LAW FIRM]

By: _____
[Counsel]

EXHIBIT "C"

GOVERNMENT CODE SECTION 53243-53243.4

53243. On or after January 1, 2012, any contract executed or renewed between a local agency and an officer or employee of a local agency that provides paid leave salary offered by the local agency to the officer or employee pending an investigation shall require that any salary provided for that purpose be fully reimbursed if the officer or employee is convicted of a crime involving an abuse of his or her office or position.

53243.1. On or after January 1, 2012, any contract executed or renewed between a local agency and an officer or employee of a local agency that provides funds for the legal criminal defense of an officer or employee shall require that any funds provided for that purpose be fully reimbursed to the local agency if the officer or employee is convicted of a crime involving an abuse of his or her office or position.

53243.2. On or after January 1, 2012, any contract of employment between an employee and a local agency employer shall include a provision which provides that, regardless of the term of the contract, if the contract is terminated, any cash settlement related to the termination that an employee may receive from the local agency shall be fully reimbursed to the local agency if the employee is convicted of a crime involving an abuse of his or her office or position.

53243.3. On or after January 1, 2012, if a local agency provides, in the absence of a contractual obligation, for any of the payments described in this article, then the employee or officer receiving any payments provided for those purposes shall fully reimburse the local agency that provided those payments in the event that the employee or officer is convicted of a crime involving the abuse of his or her office or position.

53243.4. For purposes of this article, "abuse of office or position" means either of the following:

(a) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority.

(b) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67) or Title 7 (commencing with Section 92) of Part 1 of the Penal Code.