CITY OF CORONA

FOURTH AMENDMENT TO EMPLOYMENT AGREEMENT FOR NON-REPRESENTED EMPLOYEE (CITY ATTORNEY/LEGAL & RISK MANAGEMENT DIRECTOR)

1. PARTIES AND DATE.

This Fourth Amendment to the Employment Agreement for Non-Represented Employee ("Third Amendment") is made and entered into this 14th day of November, 2017 by and between the CITY OF CORONA ("City") and DEAN DERLETH ("Employee"). City and Employee may sometimes individually be referred to as "Party" and collectively as "Parties" throughout this Fourth Amendment.

2. RECITALS.

2.1 Agreement. City and Employee entered into that certain Employment Agreement for Non-Represented Employee dated on or about December 19, 2012, whereby City agreed to employ Employee and Employee agreed to accept employment as City Attorney ("Original Agreement").

2.2 First Amendment. City and Employee entered into that certain First Amendment to Employment Agreement for Non-Represented Employee dated on or about June 5, 2012, to extend some voluntary reductions in benefits, to account for Employee paying his eight percent (8%) PERS contribution, to account for an approximate corresponding increase in base pay, and to make other changes related to certain statutory provisions and certain clean-up and clarifying revisions, including a change in the form used for terminations without cause ("First Amendment").

2.3 Second Amendment. City and Employee entered into that certain Second Amendment to Employment Agreement for Non-Represented Employee dated on or about June 3, 2015, to incorporate a new provision for executive leave by incorporating by reference the Compensation and Benefits Resolution for Non-Represented Executive Group Employees of the City of Corona, approved by the City Council as Resolution No. 2015-019 on June 3, 2015, to provide a one-time payment which is being provided to all CGEA, CSA, Executive Group and Management/Confidential Group employees, and to clarify Employee's voluntary reduction in deferred compensation benefits ("Second Amendment").

2.4 Third Amendment. City and Employee entered into that certain Third Amendment to Employment Agreement for Non-Represented Employee dated on or about December 16, 2015, to update the title for Employee's position to "City Attorney/Legal & Risk

Management Director" effective July 1, 2015 ("Third Amendment"). The Original Agreement, the First Amendment, the Second Amendment and the Third Amendment may be collectively referred to herein as the "Agreement".

2.5 Fourth Amendment. City and Employee desire to amend the Agreement for the fourth time to: (i) provide certain benefits and reduce certain benefits and other provisions by incorporating by reference the Compensation and Benefits Resolution for Non-Represented Executive Group Employees of the City of Corona, approved by the City Council as Resolution No. 2017-131 on December 20, 2017; (ii) extend Employee's voluntary waiver of a January 1, 2017 increase in annual leave accrual authorized under the Agreement and in the future utilize the annual leave accrual schedule authorized by the Executive Group Employee Resolution; and (iii) increase Employee's July 1, 2016 voluntary twenty percent (20%) reduction in deferred compensation match by eliminating the $1,000 per month deferred compensation match authorized under the Agreement and in the future utilize the deferred compensation match amount authorized by the Executive Group Employee Resolution.

3. TERMS.

3.1 Base Salary. Section 3.3.1 of the Agreement is hereby amended in its entirety to read as follows:

> "3.3.1 Base Salary. City shall compensate Employee at an annual base salary equal to Two Hundred Forty-Two Thousand Twenty-Eight Dollars ($242,028) (Salary Step 704). This base salary shall be payable bi-weekly using the payroll schedule established for the City. The base salary may be modified from time-to-time by the City Council following a performance evaluation pursuant to Section 3.5 below."

3.2 Leave & Other Benefits. Section 3.4.1 of the Agreement is hereby amended in its entirety to read as follows:

> "3.4.1 Leave & Other Benefits. Except as provided for herein, City shall provide Employee all of the existing benefit package established for the Non-Represented Executive Group Employees of the City of Corona, as approved by Resolution No. 2017-131 on December 20, 2017. The existing benefit package includes, but is not limited to, the flexible benefit allowance, medical insurance (Tier II Employee), medical insurance opt-out, retiree medical insurance (Tier II Employee), Family Medical Leave Act/California Family Rights Act, medicare contribution, short-term disability, long-term disability, life insurance and accidental death and dismemberment insurance, retiree life insurance, employee assistance program (EAP), retirement (Tier II Employee; Miscellaneous), tuition reimbursement, holidays, annual leave (accrual at 9.84 per pay period through 2028; 11.84 thereafter; new employee bank of 160 hours), executive leave, special

compensation (when qualified); and deferred compensation, including retirement healthcare savings (Tier II Employee)."

3.3 Automobile Allowance. Section 3.4.3 of the Agreement is hereby amended in its entirety to read as follows:

> "3.4.3 Automobile. City shall pay Employee an automobile allowance for a personal vehicle required for City business. The automobile allowance shall be $480 per month and shall be payable in installments at the same time as other Non-Represented Executive Group employees are paid automobile allowances. Employee shall be responsible for the costs of operation, repair, maintenance, and liability, property damage and comprehensive insurance for such personal vehicle."

3.4 Continuing Effect of Agreement. Except as amended by this Fourth Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Third Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Original Agreement as amended by the First Amendment, the Second Amendment, the Third Amendment and this Fourth Amendment.

3.5 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Fourth Amendment.

3.6 Counterparts. This Fourth Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

3.7 Assistance of Counsel. Each Party to this Fourth Amendment warrants to the other Party that it has either had the assistance of counsel (other than Employee) in negotiation for, and preparation of, this Fourth Amendment or could have had such assistance and voluntarily declined to obtain such assistance.

[SIGNATURES ON THE NEXT PAGE]

SIGNATURE PAGE FOR

FOURTH AMENDMENT TO
EMPLOYMENT AGREEMENT
FOR
NON-REPRESENTED EMPLOYEE
(CITY ATTORNEY/LEGAL & RISK MANAGEMENT DIRECTOR)

IN WITNESS WHEREOF, the Parties have entered into this Fourth Amendment to Employment Agreement for Non-Represented Employee as of the 14th day of November 2017.

CITY OF CORONA

By: Karen Spiegel

Karen Spiegel
Mayor

ATTEST:

Lisa Mobley
City Clerk

EMPLOYEE

By:

Dean Derleth

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