

Amendment No. 2 to Agreement with Dante Hall for City Manager/Executive Director Services

This Amendment No. 2 to the Agreement with Dante Hall for City Manager/Executive Director Services is made and entered into by and between the City of Hercules, a California municipal corporation, and the City of Hercules as Successor Agency to the Redevelopment Agency (hereinafter "City"), and Dante Hall ("Hall"), City Manager/Executive Director.

Purpose. This Amendment No. 2 is being entered into to amend the existing Agreement with Dante Hall for City Manager/Executive Director Services that was approved by the City Council of the City of Hercules on July 27, 2021, and subsequently revised by Amendment No. 1 on October 25, 2022. Said Agreement with Dante Hall for City Manager/Executive Director Services as revised by Amendment No. 1 shall hereinafter be referred to as the "Original Agreement" and is incorporated herein by reference.

Original Agreement Provisions. The parties hereto agree to continue to abide by those terms and conditions of the Original Agreement which are unaffected by this Amendment No. 2.

Amendment. This Amendment No. 2 is intended to amend Section 6 of the Original Agreement to provide as follows:

6. Compensation.

A. Salary. The City agrees to pay Hall for the performance of his duties and functions an annual salary of \$240,000, less legally required deductions, subject to an annual cost of living adjustment of 3% per year. Salary will be paid in installments at the same time that other employees of the City are paid. Any adjustment to Hall's salary besides the annual 3% cost of living adjustment must be pursuant to a resolution of the Council. Hall shall not be entitled to receive payment or credit for, and City shall not pay or credit Hall for, overtime, compensated time off in lieu of overtime, or other compensation except as expressly provided in this Agreement. Hall acknowledges that the position of City Manager is exempt from the provisions of the Fair Labor Standards Act (FLSA).

[Amendment No. 1 (approved July 27, 2021): Pursuant to Resolution of the City Council, the annual cost of living adjustment for Hall shall be 4.5% for fiscal years 2022-23 and 2023-24. Adjustments shall be effective July 1, 2022 and July 1, 2023, respectively.]

Amendment No. 2 (approved February 27, 2024): Commencing with the pay period immediately following the adoption of Resolution 24-_____ of the City Council, the City agrees to pay Hall for the performance of his duties and functions an annual salary of \$285,000, less legally required deductions, subject to an annual cost of living adjustment of 3% per year. Salary will be paid in installments at the same time that other employees of the City are paid. Any adjustment to Hall's salary besides the annual 3% cost of living adjustment must be pursuant to a resolution of the Council. Hall shall not be entitled to receive payment or credit for, and City shall not pay or credit Hall for, overtime, compensated time off in lieu of overtime, or other compensation except as expressly provided in this Agreement. Hall acknowledges that the position of City Manager is exempt from the provisions of the Fair Labor Standards Act (FLSA).

B. Benefits.

During the Term of this Agreement and his employment hereunder, Hall shall be entitled to receive benefits on the same terms and conditions as the other senior management employees of the City, as provided for in the Senior Management Employment Agreement. In addition, Hall shall receive, including:

1. Vacation accrual at the 20 year rate level, and a one-time bank of ten (10) vacation days upon commencement of employment.
2. A one-time bank of five (5) additional sick days upon commencement of employment.

Some benefits may change during the course of Hall's employment. Employees are noticed regarding any changes in benefits. Except as expressly set forth in this Agreement, hall shall be entitled to the same benefits as those provided to senior management employees generally, but shall not be entitled to or be paid for any other benefit available to certain non-senior management employees of the City; for example, uniform allowances for police officers and public works employees.

C. One Time Moving Allowance

Hall shall be provided a one time moving allowance to be applied to relocation expenses incurred within the five year Term of this Agreement. Hall shall provide the City with three estimates for the cost of relocation and moving expenses, and City shall reimburse Hall within thirty (30) days for such costs the amount equal to the lowest estimate provided by Hall, or \$15,000, whichever is lowest.

D. Incentive.

As a retention incentive, if after the end of the five year Term of this Agreement, Hall continues as City Manager on a year-to-year basis for two full years, City Agrees to pay Hall, in addition to an annual salary of ~~\$240,000~~ **\$285,000** and 3% cost of living adjustment, a 5% bonus for each of years six and seven, less legally required withholdings, to be paid within thirty (30) days after the conclusion of his seventh year as City Manager. The bonus is not part of his annual salary and no portion of the bonus shall be awarded to Hall unless he has completed his seventh year as City Manager, except Hall would receive a pro rata portion of the bonus if the City were to terminate Hall without cause at any time during years six or seven.

E. Education Incentive Pay.

If Hall has obtained an advanced degree from an accredited university in a discipline directly related to public administration, public finance, or public management, Hall will be eligible for an additional 3% of his salary per year.

Amendment Approval: This Amendment No. 2 has been approved by the City Council by Resolution No. 24- , adopted by the City Council at the duly noticed regular Council meeting of February 27, 2024, and is effective on the date of approval.

Counterparts. This Amendment No. 2 may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same document.

Signatures. These signatures attest the parties' agreement hereto:

On Behalf of the City Council

City Manager

By: _____
Dan Romero, Mayor

Dante Hall

ATTEST:

Eibleis Melendez
City Clerk

APPROVED AS TO FORM:

J. Patrick Tang
City Attorney