THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT BY AND BETWEEN THE CITY OF CLAREMONT AND ADAM PIRRIE, CITY MANAGER

This Third Amendment to City Manager Employment Agreement ("Third Amendment") is entered into as of the 25th day of February 2025 (the "Effective Date"), between the City of Claremont (hereinafter referred to as the "City") and Adam Pirrie (hereinafter referred to as "Mr. Pirrie" or "City Manager"). City and Mr. Pirrie are sometimes individually referred to in this Third Amendment as a "Party" and collectively as the "Parties." The above-named Parties hereby mutually agree and promise as follows:

RECITALS

- 1. City and Mr. Pirrie entered into that certain City Manager Employment Agreement, dated February 23, 2021 (the "Agreement"), by which the City and Mr. Pirrie established the terms, conditions, compensation, and other benefits for the City Manager's employment by the City. Terms that are capitalized in this Third Amendment have the same meaning as terms that are capitalized in the Agreement.
- 2. On or about February 8, 2022, the City and Mr. Pirrie entered into that certain First Amendment to City Manager Employment Agreement, which extended the Term of the Agreement to February 23, 2026 and changed the deadline for annual performance evaluations from July 31 to March 31 of each calendar year ("First Amendment").
- 3. On or about April 9, 2024, the City and Mr. Pirrie entered into that certain Second Amendment to City Manager Employment Agreement, which extended the Term of the Agreement to February 23, 2028 ("Second Amendment").
- 4. Per Sections 2.2 and 4 of the Agreement, Mr. Pirrie generally receives the same cost of living adjustments and fringe benefits as Department Head employees who are part of the Claremont Management Association ("CMA") (or the most comparable successor bargaining unit). However, Section 4 of the Agreement deviates from this structure and, instead, caps the City's contributions towards Mr. Pirrie's health, dental and vision insurance at \$1,294 per month. For Department Head employees who are part of the CMA, the City's monthly contribution for health insurance, including medical, dental, and vision insurance is \$1,500 (through June 30, 2027). The City and Mr. Pirrie desire to amend the Agreement to allow Mr. Pirrie to receive the same monthly contribution for health insurance, including medical, dental, and vision insurance as Department Head employees who are part of the CMA.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

<u>Section 1</u>. Section 4 of the Agreement is hereby amended to read as follows (additions underlined; deletions struck):

4. FRINGE BENEFITS

Except as otherwise expressly provided in this Agreement, City shall provide to Mr. Pirrie those fringe benefits provided to Department Head employees of the City as set forth in the Benefit Summary Sheet applicable to Department Heads as of July 1, 2020, or as such Sheet may be amended from time to time by a vote of the City Council who are part of the CMA (or the most comparable successor bargaining unit). In addition, Mr. Pirrie shall receive the same long-term disability insurance benefits and the same life insurance benefit provided to non-sworn Department Heads. However, Mr. Pirrie shall not receive the following fringe benefits which may be provided to Department Heads: deferred compensation, automobile or auto allowance, and vacation leave, all of which are provided for separately in this Agreement.

Notwithstanding Mr. Pirrie's non-receipt of the deferred compensation benefit set forth in the Benefit Summary Sheet, Mr. Pirrie shall receive from City a payment of One Thousand Dollars (\$1,000) each month paid into the City's Deferred Compensation Plan. City shall contribute \$1,294 per month towards health, dental and vision insurance for Mr. Pirrie in the same amount the City contributes to Department Head employees who are part of the CMA (or the most comparable successor bargaining unit). If Mr. Pirrie does not use the full amount, Mr. Pirrie shall receive up to \$1,294 per month of the remaining amount as taxable income. Mr. Pirrie may contribute through tax-deferred payroll deductions any amount up to the maximum allowable under law to the 457 Deferred Compensation Plan.

<u>Section 2</u>. Except as otherwise amended by this Third Amendment, all other terms and conditions of the Agreement, the First Amendment, and the Second Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Third Amendment to the City Manager Employment Agreement on the 25th day of February, 2025.

CITY OF CLAREMONT

Mayor, City of Claremont

Adam Pirrie

CITY MANAGER

ATTEST:

City Clerk

APPROVED AS TO FORM AND CONTENT:

City Attorney