EMPLOYMENT AGREEMENT ADDENDUM

Executive Management
Exempt Service

Library Director

THIS EMPLOYMENT AGREEMENT ADDENDUM ("Addendum") made and effective this ______, 2026, by and between the CITY OF LODI, a municipal corporation ("City") and Jennifer Fontanilla, an individual ("Employee").

WHEREAS, the City and Employee entered into an Employment Agreement dated June 9, 2025, as shown in Exhibit "A" attached hereto and incorporated herein by this reference ("Agreement"); and

WHEREAS, on February 18, 2026, the City Council approved Resolution 2026-__, attached hereto as Exhibit "B" which authorized cost of living increases of three percent (3%) effective the first full pay period in January 2027, and January 2028; and amendments to Employee's benefits as listed below; and

WHEREAS, the City and Employee now wish to execute this Addendum agreeing and acknowledging the salary and benefit increases in Resolution 2026-__ and update the Agreement language to reflect these changes.

Agreement

City and Employee hereby acknowledge and agree that the Agreement shall be updated to reflect the increases to Employee's salary and benefits as approved and adopted by the City Council in Resolution 2026-__, as follows:

7. Salary:

(a) City agrees to pay Employee $167,000 in salary per year for her services, payable in installments at the same time as other employees of the City are paid and subject to customary withholding. The City may reduce base salary compensation or other financial benefits of Employee as part of general salary reduction in pay among and common to all employees. In addition, Employee shall pay seven percent (7%) (Employee's share) of her salary toward the California Public Employees Retirement system benefit and agrees to a cost-sharing agreement and will pay an additional six percent (6%) towards the employer's share of CalPERS normal pension cost. Effective July 6, 2026, the employee's cost-sharing contribution (pursuant to California Government Code section 20516) of six percent (6%), as listed above, shall be eliminated.

(b) In addition, the Library Board of Trustees will have discretion to grant up to a five percent (5%) salary increase twelve months after the execution of this Agreement, subject to a satisfactory performance evaluation.

(c) Future annual adjustments to Employee's salary shall be set by the Library Board of Trustees and approved by City Council action, and shall include a three percent (3%) wage increase at the first full pay-period in January 2027 and another three percent (3%) wage increase at the first full pay-period in January 2028.

(d) City agrees to maintain a minimum ten percent (10%) salary differential between Employee and the Library Department's next highest paid executive or mid manager, including incentive pay.

(e) If assigned by the City Manager to a vacant or interim Director position, for more than two consecutive weeks, Employee shall receive the current salary of the position they are filling while in this status, or a 10% upgrade, whichever is greater.

8. Benefits:

(a) The City shall provide Employee the same benefits as provided to management employees in accordance with the terms of the Executive Management Statement of Benefits, amended as of May 16, 2012, and as hereafter amended, increased or decreased, except as modified herein. Employee's vacation leave shall be calculated as if she is in her 10th year of service with the City (accrued at 4.62 hours per pay-period), increasing thereafter as provided in the Executive Management Statement of Benefits. Employee shall be granted an eighty (80) hour leave bank that can only be used during Employee's first 12-months of employment, this additional leave bank shall expire upon Employee's first anniversary with the City (i.e., June 9, 2026).

Effective January 1, 2026, the City shall pay up to 90% of the medical premium, by enrollment category, for the lowest cost HMO plan available in the zip code 95240. Employee shall be responsible for ten percent (10%) of the medical premium for the lowest cost HMO plan available in the zip code 95240. If employee selects a higher cost medical plan, Employee will pay the difference as a payroll deduction.

If Employee elects not to be covered by medical insurance through the City, an additional $692.81 per month for Family or $532.92 for Employee+1 or $305.22 for a Single employee, will be added to either the Employee's deferred compensation account or paid in cash. In order to qualify for this 'cash-out' provision, proof of group insurance coverage must be provided to the City.

(b) The foregoing benefits are the sole and exclusive benefits to be provided to Employee. Any improvement or modification of such benefits may only be made by written instrument signed by the Library Board of Trustees and City Manager. As used herein, benefits include, but are not limited to: vacation, sick leave, holidays, administrative leave, retirement, vision insurance, health insurance, dental insurance, long-term disability insurance, life insurance, and deferred compensation.

NOW, THEREFORE, the parties hereby agree and acknowledge cost of living increases in January 2027 and 2028, amendments to CalPERS cost-sharing, and the City's contribution towards medical insurance, as approved by the City Council in Resolution 2026-__, and confirm that all other terms and conditions remain as previously set forth in the Agreement.

IN WITNESS WHEREOF, the parties have executed this Addendum to the Agreement the day and year written above.

EMPLOYEE

By: ______________________________
Jennifer Fontanilla

CITY OF LODI, a municipal corporation

By: ______________________________
Brian Campbell
Board Member
Lodi Public Library Board of Trustees

ATTEST:

By: ___________________________
Olivia Nashed
City Clerk

APPROVED AS TO FORM:

By: ____________________________
Katie O. Lucchesi
City Attorney KL

Acknowledgment of consistency with existing HR practices

By: ______________________________
James Lindsay
Interim City Manager

EMPLOYMENT AGREEMENT

Executive Management
(Exempt Service)

Library Director

This Employment Agreement ("Agreement") is made and entered into as of June 9, 2025, by and between the City of Lodi, a municipal corporation by and through its Library Board of Trustees (hereinafter collectively referred to as "City") and Jennifer N. Fontanilla an individual (hereinafter referred to as "Employee") (City and Employee hereinafter referred to individually as "Party" or collectively as the "Parties").

RECITALS:

It is the desire of the City to retain the services of Employee and to provide inducement for her to remain in such employment, make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security, and to provide a just means for terminating Employee's services.

AGREEMENT:

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

1. **Employment:** City agrees to employ Employee as Library Director, in accordance with the following provisions:

(a) Employee shall serve as Library Director, and shall be responsible for managing and directing the operations of the Library in accordance with an agreed upon performance plan.

(b) Employee shall perform her duties to the best of her ability in accordance with the highest professional and ethical standards of the profession and shall comply with all general rules and regulations established by the City.

(c) Employee shall not engage in any activity, which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Employee shall comply fully with her reporting and disclosure obligations under regulations promulgated by the Fair Political Practices Commission (FPPC).

(d) Employee agrees to remain in the exclusive employ of the City during the term of this Agreement. Employee shall dedicate her full energies and qualifications to her employment as Library Director, and shall not engage in any other employment except for her role as an adjunct professor for San Joaquin Delta College (hereinafter referred to as Delta College) and so long as such role does not conflict with her duties and obligations as Library Director and such that her work conducted on behalf of Delta College is done outside of her working hours for the Library as set forth in this agreement or as may be specifically approved in writing in advance by the Library Board of Trustees.

2. **Start Date:** Employee shall begin work as Library Director on June 10, 2025.

3. **Maintenance of Professional Expertise**: To promote continued professional growth and benefit to the City, Employee shall, at City expense and consistent with budgetary constraints: maintain membership in professional organizations related to professional disciplines; attend workshops, seminars and other similar activities designed to advance Employee's professional development; and, represent the City in professional associations and other organizations.

4. **Resignation, or Termination:**

(a) Employee may resign at any time and agrees to give City at least 30 days advance written notice of the effective date of her resignation. In such event, Employee shall not be entitled to severance pay as provided in Paragraph 5 herein.

(b) The Parties recognize and affirm that Employee may be terminated by the Library Board of Trustees or the City Manager of the City of Lodi ("City Manager") with cause, which shall mean gross insubordination, incapacity, dereliction of duty, conviction of a crime involving acts of moral turpitude or involving personal gain to her, or material breach of this Agreement. In such event, Employee shall not be entitled to severance pay as provided in Paragraph 5 herein.

(c) The Parties recognize and affirm that Employee may be terminated by the Library Board of Trustees or City Manager without cause. In such event, Employee shall be entitled to severance pay as provided in Paragraph 5 herein.

(d) In the event of termination and in recognition of Employee's professional status and integrity, Employee, the Library Board of Trustees, and City Manager shall prepare a joint public statement to be made by the Library Board. This employment relationship is based on the mutual respect between the Parties and a desire to maintain the highest degree of professionalism. In communicating with third parties about the Parties' employment relationship and the circumstances under which it may have been severed, the Parties shall (a) protect and advance their mutual respect and professionalism, and (b) refrain from making statements that would negatively impact either Party.

(e) Employee may choose to resign or retire her office instead of being terminated if agreed to by the Library Board of Trustees or the City Manager. In such an event the public announcement, as provided for in Paragraph 4 (d) above, will note Employee has resigned or retired. The provisions of Paragraph 4 (d) shall remain applicable. In such event, Employee shall not be entitled to severance pay as provided in Paragraph 5 herein.

5. **Severance Pay:** If Employee is terminated by the Library Board of Trustees or the City Manager without cause while still willing and able to perform the duties of Library Director, City agrees to pay Employee a cash payment equal to six (6) months' aggregate salary and the City's cost of six (6) months' health insurance benefits subject to reduction as set forth in this Paragraph 5 (collectively "Severance Payment"). The Severance Payment will be paid over time at the same time as other employees of the City are paid and subject to customary withholdings. In the event Employee retains new employment during the six-month Severance Payment period, any remaining Severance Payment will be forfeited as of the date Employee begins her new employment. To be eligible for such Severance Payment, Employee shall fulfill all of her obligations under this Agreement, and shall sign an Acknowledgment and Release of Claims against the City in a form acceptable to the City Attorney. Severance Payment under this paragraph will release City from any further obligations under this Agreement and any other transaction between the Parties.

6. **Employment as Department Head is Sole Employment with City:** Employee further represents and acknowledges that her employment as Library Director is her sole and exclusive employment with the City. Employee has no right to any other exempt position with the City or to any employment in the classified service. Employee also acknowledges her role as an adjunct professor for Delta College.

7. **Salary**:

(a) City agrees to pay Employee $167,000 in salary per annum for her services, payable in installments at the same time as other employees of the City are paid and subject to customary withholding. The City may reduce base salary compensation or other financial benefits of Employee as part of general salary reduction in pay among and common to all employees. In addition, Employee shall pay seven percent (7%) (Employee's share) of her salary toward the California Public

Employees Retirement system benefit and agrees to a cost-sharing agreement and will pay an additional six percent (6%) towards the employer's share of CalPERS normal pension cost.

(b) In addition, the Library Board of Trustees will have discretion to grant up to a five percent (5%) salary increase twelve months after the execution of this Agreement, subject to a satisfactory performance evaluation.

8. <u>Benefits:</u>

(a) The City shall provide Employee the same benefits as provided to management employees in accordance with the terms of the Executive Management Statement of Benefits, amended as of May 16, 2012, and as hereafter amended, increased or decreased, except as modified herein. Employee's vacation leave shall be calculated as if she is in her 10th year of service with the City (accrued at 4.62 hours per pay-period), increasing thereafter as provided in the Executive Management Statement of Benefits. Employee shall be granted an eighty (80) hour leave bank that can only be used during Employee's first 12-months of employment, this additional leave bank shall expire upon Employee's first anniversary with the City (i.e., June 9, 2026).

(b) The foregoing benefits are the sole and exclusive benefits to be provided to Employee. Any improvement or modification of such benefits may only be made by written instrument signed by the Library Board of Trustees and City Manager. As used herein, benefits include, but are not limited to: vacation, sick leave, holidays, administrative leave, retirement, vision insurance, health insurance, dental insurance, long-term disability insurance, life insurance, and deferred compensation.

9. <u>Cell Phone/Vehicle:</u> Employee will be provided with a Cell Phone for employment related use at the City's expense or a monthly stipend, at Employee's option, on terms consistent with other Executive Managers. Employee will also be provided with access to City Manager Pool Car for work related use on an as available basis.

10. <u>Performance Evaluation:</u> The Library Board of Trustees and City Manager shall review and evaluate the performance of Employee each year and set goals and objectives for the ensuing year. Such review and evaluation shall be in accordance with specific criteria developed in the performance plan in consultation with Employee and the Library Board of Trustees and City Manager.

11. <u>Assignment:</u> Employee shall not assign any of the duties and responsibilities, or obligations of this Agreement except with the express written consent of the Library Board of Trustees and City Manager.

12. <u>Authority to Work in the United States:</u> Employee represents, under penalty of perjury, that she is authorized to work in the United States. In accordance with §274A (8 USC 1324) of the Immigration Reform and Control Act of 1986 before this Agreement can become effective, Employee must provide documentary evidence to City consistent with the Act, that she is legally entitled to work in the United States, and must execute the verification required by that Act.

[The balance of this page is intentionally left blank.]

13. **Notice:** All notices required herein shall be sent first class mail to the parties as follows:

To **CITY:**

City of Lodi
Attn: City Manager's Office
P. O. Box 3006
Lodi, CA 95241-1910

To **EMPLOYEE:**

Jennifer Fontanilla
[redacted]

Notice shall be deemed effectively served upon deposit in the United States mail. Either party may change the "Notice" address by notifying the other party in writing of such change.

14. **Entire Agreement:** This Agreement contains the entire agreement between the parties hereto. No promise, representation, warranty, or covenant not included in this Agreement has been or is relied on by any party hereto. This Agreement may only be amended by written instrument signed by Employee and the Library Board of Trustees in open session.

15. **Severability:** If any provision of this Agreement is invalid or unenforceable, it shall be considered deleted herefrom and the remainder of this Agreement shall be unaffected and shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year written above.

EMPLOYEE

By: ______________________
Jennifer Fontanilla

CITY OF LODI, a municipal corporation

By: ______________________
~~Brian Campbell~~ CAITLIN CASEY
~~Board Chair~~ BOARD MEMBER
Lodi Public Library Board of Trustees

ATTEST:

By: ______________________
Olivia Nashed
City Clerk

APPROVED AS TO FORM:

By: ______________________
Katie O. Lucchesi
City Attorney

Acknowledgment of consistency with existing HR practices

By: ______________________
James Lindsay
Acting City Manager