Amended and Restated City Manager Employment Agreement

This Amended and Restated Agreement (the "Agreement") is made and entered into to be effective as of August 27, 2025 (the "Effective Date") by and between the City of El Paso, Texas, A Texas municipal corporation (the "City") and Dionne Mack (the "Manager"), both of whom understand and agree as follows:

WHEREAS, the City Council of the City and the Manager believed an employment agreement negotiated between the Council, on behalf of the City, and the Manager is mutually beneficial to the City, the Manager, and the community they serve;

WHEREAS, when appropriately structured, the Council and the Manager believed an employment agreement will strengthen the Council-Manager relationship by enhancing the excellence and continuity of the management of the City for the benefit of its citizens;

WHEREAS, the Council, on behalf of the City, desired to employ the services of the Manager, as the City Manager of the City, pursuant to the terms, conditions and provisions of the El Paso City Charter and that certain City Manager Employment Agreement entered by and between the City and the Manager on September 3, 2024 (the "Original Employment Agreement"); and

WHEREAS, the Council appointed the Manager under the provisions of the El Paso City Charter, and the Manager agreed to accept appointment as the City Manager, subject to the terms and conditions and provisions of the City Charter and the Original Employment Agreement.

WHEREAS, the parties desire to amend the Original Employment Agreement and enter into an amended and restated employment agreement as provided herein; and

NOW, THEREFORE, the City and the Manager, for and in consideration of the terms and conditions and provisions hereinafter established have agreed, and do hereby agree as follows:

Section 1. Term

The Term of this Agreement shall be for an Initial Term of three and a half years (3.5) years beginning on September 3, 2024 (the "Commencement Date") and ending on March 2, 2028, unless otherwise terminated pursuant to Section 14. This Agreement shall automatically extend for one (1) year through March 2, 2029 ("Renewal Term"), unless either party shall have provided notice six (6) months in advance of the expiration on or before September 2, 2027 to the annual extension, or the Agreement is otherwise terminated pursuant to Section 14.

Section 2. Chief Executive Officer

The Manager is the chief executive officer of the City and shall faithfully perform the duties of the City Manager as prescribed in the City Charter, City ordinances and City Council policies, plans and other directives, as may be lawfully assigned to the Manager (collectively the "City Manager's Duties").

Further, the Manager shall comply with (collectively "Applicable Laws and Authorities"): state and federal law; the City's Charter; the City's Ethics Ordinance, all City resolutions, policies, rules, regulations and ordinances as they exist or may hereinafter be enacted or amended; and, all lawful Council directives. All duties assigned to the Manager by the Council shall be appropriate to and consistent with the professional role and responsibility of the City Manager position.

Section 3. Duties

The Council does hereby employ Manager as City Manager to perform the City Manager's Duties in accordance with and pursuant to all Applicable Laws and Authorities and each of the following duties to the full extent not prohibited by or in material conflict with any existing provisions of the City's Charter or Applicable Laws and Authorities:

- a. Take all personnel actions regarding employees, except as provided by law or in the City Charter. The City Manager may authorize the Deputy City Managers and department directors to exercise these powers with respect to their subordinates;
- b. Direct and supervise the administration of all departments, offices and agencies of the City, except as otherwise provided by the City Charter or by law;
- c. Attend all City Council meetings. The City Manager shall have the right to take part in discussion but shall not vote;
- d. See that all laws, provisions of the City Charter, City Code, City ordinances and acts of the City Council, subject to enforcement by the City Manager or by employees subject to the Manager's direction and supervision, are faithfully executed;
- e. Prepare and submit the annual budget and capital program to the City Council;
- f. Submit to the City Council and make available to the public a complete report on the finances and administrative activities of the City as of the end of each fiscal year;
- g. Make such other reports as the City Council may require concerning the operations of City departments, offices and agencies subject to the City Manager's direction and supervision;
- h. Keep the City Council fully advised as to the financial condition and future needs of the City;
- i. Make recommendations to the City Council concerning the affairs of the City;
- j. Provide support to the offices of the Mayor and the Representatives; and
- k. Perform such other duties as are specified in the City Charter or may be required by the City Council.

The Manager shall perform the City Manager's Duties with reasonable care, diligence, skill and expertise.

Section 4. Hours of Work

- A. The Manager acknowledges the proper performance of the duties of the Manager will require the Manager to generally observe normal business hours and will also often require the performance of necessary services outside of normal business hours. The Manager agrees to devote such additional time as is necessary for the full and proper performance of the Manager's duties and that the compensation herein provided includes compensation for the performance of all such services. However, the City intends that reasonable time off be permitted the Manager, such as is customary for exempt employees so long as the time off does not interfere with the normal conduct of the office of the Manager.
- B. The Manager will devote full time and effort to the performance of the Manager's duties and shall remain in the exclusive employ of the City during the term of this Agreement.

Section 5. Ethical Commitments

- A. Political Activity. Manager shall comply with the prohibitions against political activity as set forth in Rule 8 of the Civil Service Rules, Ordinance 8065, as amended. The City shall support Manager in keeping these commitments by refraining from and urging its elected officials to refrain from making any order, direction or request that would require Manager to undertake any of the prohibited activities.
- B. Investments. Manager shall not individually, as a partner, joint venturer, officer or shareholder invest or participate in any business venture conducting business in the corporate limits of the City of El Paso, except as to stock ownership in any company whose capital stock is publicly held and regularly traded on the New York Stock Exchange, the American Stock Exchange or the NASDAQ without the prior written consent of Council. Manager further agrees, except for the Manager's personal residence or residential property acquired or held for a family member or for future use as a personal residence, not to invest in any other real estate or property improvements within the corporate limits of the City of El Paso without the prior written consent of Council. Such consent shall not be unreasonably withheld. In the event of any conflict of interest or potential conflict of interest under this subsection, Manager will disclose such issue and notify the City Council in an expeditious manner.

Section 6. Compensation

- A. Base Salary: Manager shall receive an annual starting base salary of \$350,000.00 per year beginning September 3, 2024 that is payable in installments at the same time that the other City employees are paid ("Base Salary"). The Manager's Base Salary is not subject to any salary cap.
- B. The Manager shall be eligible to receive across the board pay increases or other similar pay increases that the City Council provides to other administrative, non-collective bargaining employees

of the City, and shall also be eligible to receive service time pay increases in the same manner that other administrative, non-collective bargaining employees of the City are eligible to receive based on designated amounts of service time. Additionally, in the event the City Council provides any other new type of benefit applied across the board to its other administrative, non-collective bargaining employees of the City, the Manager shall also be eligible to receive such benefit in the same manner.

C. In no event shall the Manager's salary be reduced during the term of this Agreement except by mutual agreement of the two parties.

Section 7. Health, Disability, Life Insurance and Miscellaneous Benefits

The Manager is entitled to participate in the City's vision plan, life insurance plan, short-term disability plan, healthcare plan and dental plan in the same manner as all other executive level, full-time non-collective bargaining employees of City. The Manager will only become eligible for future participation in those plans as may be provided by and in accordance with the terms and conditions of those plans as provided for such executive level employees. The City also agrees to reimburse the Manager for non-personal but job-related expenses such as the costs of meals where City business is being discussed or conducted, and costs relating to participation in social and civic events and activities in El Paso that serve to benefit the City and the public perception of the City Manager and their office. Such reimbursement shall be in accordance with the City's existing policies and procedures and structured to comply with Section 409A of the Internal Revenue Code.

Section 8. Paid Leave - Vacation and Sick Leave and Holidays

- A. The Manager will accrue vacation and sick leave in accordance with the City of El Paso Civil Service Rules and Procedures. The Manager may use such vacation and sick leave, including the use of sick leave as personal time, in accordance with such Rules and Procedures. The Manager will be entitled to retain all leave balances in place at the time this Agreement is approved. Paid holidays shall be as provided by the City for its non-collective bargaining employees.
- B. The Manager may accrue up to the hourly equivalent of six months of vacation at any time during the term of this Agreement. Any vacation leave credit in excess of the maximum accruals shall be permanently withdrawn from the Manager's leave balances in the pay period in which the anniversary date of the start of Manager's initial employment with the City falls or upon the termination of this Agreement. In the event of the termination of this Agreement and the City is obligated under a provision in Section 15 to make a lump sum payment for up to six months of the Manager's accrued vacation, the maximum amount of such payment shall not exceed the hourly equivalent of six months of vacation.
- C. The Manager may accrue unlimited amounts of sick leave for which the Manager will be entitled to use or receive such unused and accrued sick leave as follows: In the event of the termination of this Agreement, the City is obligated under Section 15, at the Manager's election, to make a lump sum payment for up to six months of the Manager's accrued sick leave, or to allow the Manager to use any

or some amounts of such sick leave for the purpose of adding to the Manager's credited service as may be allowed under the City's Pension Ordinance and Pension Plan. If the Manager elects a lump sum payment, the maximum amount of such payment shall not exceed the hourly equivalent of six months of sick leave. In the event that upon termination of this Agreement, the City is not obligated to make a lump sum payment for up to six months of the Manager's sick leave; or if after making a required lump sum payment for up to six months of the Manager's sick leave, the Manager has remaining accrued sick leave, the Manager will be entitled to use any or all amounts of such sick leave for the purpose of adding to their credited service as may be allowed under the City's Pension Ordinance and Pension Plan.

Section 9. Automobile

The Manager's duties require that they have the exclusive and unrestricted use of an appropriate motor vehicle. City agrees to pay Manager, a vehicle allowance in the amount of the greater of (A) the amount included in the job posting for Manager of \$500 per month, or (B) the amount allowed per City Policy for executives once such policy is adopted, beginning with the Effective Date of this Agreement and continuing throughout the term of this Agreement.

Section 10. Retirement and Deferred Compensation

- A. The Manager has been enrolled in the City of El Paso's Pension Plan and will continue to be enrolled during the term of this Agreement. The Manager shall be entitled to retain whatever rights and benefits accrued prior to the execution of this Agreement. Both parties shall continue to make all required contributions to the Plan as established in the Pension Ordinance and the Plan Policies, Procedures, and Rules.
- B. The City shall contribute 10% of the Manager's Base Salary on Manager's behalf to her 401(a) account beginning in January 2025, and shall contribute one-third of such amount to her 401(a) account on or before October 3, 2024, based on the Base Salary provided for her under this Agreement.

Section 11. General Business Expenses

- A. City agrees to budget and pay for subscriptions of the Manager necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for the Manager's continued professional participation, growth, and advancement, and for the good of the City.
- B. City agrees to budget and pay for travel and subsistence expenses of Manager for professional and official travel, meetings, and occasions to adequately continue the professional development of Manager and to pursue necessary official functions for City. All travel expenses will be paid in accordance with the City's Travel Policies.
- C. <u>Professional Continuing Education.</u> The City also agrees to budget for and to pay for travel and subsistence expenses of Manager for short courses, institutes, and seminars that are necessary and/or desirable for the Manager's professional development and maintenance of the

Manager's required obligations and for the good of the City. All travel expenses will be paid in accordance with the City's Travel Policies.

D. Recognizing the importance of constant communication and maximum productivity, City shall provide Manager, for business and personal use, a laptop and/or desktop computer, a tablet, software and mobile phone, required for the Manager to perform Manager's duties and to maintain communication with City's staff and officials as well as other individuals who are doing business with City. The equipment shall be updated or replaced as reasonably necessary in order to ensure constant communication and maximum productivity. At termination of employment, all Cityowned equipment will be immediately returned to the City.

Section 12. Total Benefit and Compensation Package.

The Manager will not be entitled to receive any other compensation or benefits from the City except as set forth in this Agreement, City policies or in accordance with Texas law.

Section 13. Performance Evaluation

- A. <u>Evaluation Process.</u> By February 28, 2025, the parties shall work together to develop goals for Fiscal Year 2025 and approve a form evaluation for the City Manager's annual performance evaluation. Thereafter, Mayor and Council shall review the Manager's job performance annually during the month of August in order to complete the evaluation prior to the adoption of the City's annual operating budget. The Mayor shall be responsible for preparing a draft of the performance evaluation recommendation, incorporating the feedback received from Council members who provide feedback and submitting it to City Council for discussion, potential revision and approval. The Council shall provide the Manager a reasonable and adequate opportunity to discuss with the Council and/or respond to the Manager's evaluation. The annual performance reviews and evaluations shall be reasonably related to the Manager's written job description and shall be based on goals for the Manager's performance that are jointly developed and established by the City Council and the Manager. At the time of the evaluation, the Parties will develop the Manager's goals and objectives for the next evaluation period and discuss and finalize them together. The Mayor may put such goals and objectives in writing and provide them to the Manager.
- B. <u>Confidentiality.</u> Unless the Manager expressly requests otherwise in writing, except to the extent prohibited by or in material conflict with Applicable Laws and Authorities, the evaluation of the Manager shall at all times be conducted in closed session of the Council and shall be considered confidential to the maximum and full extent permitted by law. Nothing herein shall prohibit the Council or the Manager from sharing the content of the Manager's evaluation with their respective legal counsel.
- C. <u>Modification of Evaluation Process.</u> In the event the Council determines that the evaluation instrument, format and/or procedure are to be modified by the Council, and such modifications would require new or different performance expectations, then the Manager shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated. The

Council will use the evaluation form agreed to by February 28, 2025 for the annual evaluation unless the Mayor on the City's behalf and the Manager mutually agree to use a different or revised form. Nothing herein prevents the City, or the Mayor on the City's behalf, and the Manager from mutually agreeing to additional changes in the evaluation form or establishing a more specific evaluation format for the purpose of providing a more beneficial and useful evaluation process and agreeing upon the effective date for such changes.

D. <u>Unscheduled Evaluations</u>. The Mayor and Council reserve the right to conduct unscheduled performance evaluations in addition to annual evaluations when they determine in their sole discretion such evaluations are necessary. The Mayor and Council reserve the right to place the Manager on a formal performance improvement plan (PIP) requiring the Manager's immediate and sustained corrective action of any performance discrepancies in addition to or in lieu of an unscheduled evaluation.

Section 14. Termination and Compensation upon Termination

- A. Termination Events. The Manager's employment under this Agreement shall terminate upon any of the following.
 - 1. Mutual Agreement of the Council and Manager in writing and signed by the City and the Manager.
 - 2. Retirement, Resignation (per Section 16) or Death of the Manager. Disability of the Manager. The inability of the Manager to perform Manager's duties due to permanent disability, sickness, accident, injury, mental capacity that renders the Manager unable to carry out the essential functions of the job with or without accommodation.
 - 4. If any provisions of the Charter pertaining to the role, powers, duties, authority, responsibilities of the Manager's position that substantially changes the form of government or the duties of the Manager, the Manager shall have the right to declare that such amendments constitute termination.
 - 5. If the Manager resigns at the request of the City, whether formal or informal, then the Manager may declare a termination as of the date of the submission of the resignation.
 - 6. Termination of the Manager with good cause, at any time. For purposes of this Agreement the term "good cause" is defined as follows:
 - a. Insubordination or failure to comply with lawful written City directives, unless compliance with such directive would violate the law or ethical rules applicable to the Manager;
 - b. Conviction of a felony involving moral turpitude or other conviction that affects the Manager's ability to perform as City Manager;
 - c. Disability, not otherwise protected by law, that impairs performance of the frequired duties of the City;
 - d. Knowingly falsifying records or documents related to the City's activities;
 - e. Knowing misrepresentation of material facts to the City or other City officials in the conduct of the City's business;

- f. Any willful, knowing, grossly negligent, or negligent misapplication or misuse, direct or indirect, by Manager of public or other funds or other property of the, City, real, personal, or mixed, owned by or entrusted to the City, any agency or corporation thereof, or the Manager in the Manager's official capacity; or
- g. Being under the influence of intoxicants, or the illegal use of drugs, hallucinogens or other substances regulated by state law or the use thereof while on duty.
- 7. If the City terminates the Agreement with cause, the parties agree that such termination is subject to review by an Arbitrator using the American Arbitration Association's service, and that the Arbitration request shall be made within forty-five (45) days of separation of employment and final decision within ninety (90) days thereafter. The parties agree that arbitration shall be the exclusive means of seeking review of termination for cause or breach of the Employment Agreement and agree that the Manager will not be continued in her employment during the above Arbitration time periods.

Section 15. Compensation upon Termination

- A. If the Manager's employment is terminated by mutual agreement, by Manager's retirement, resignation or death, or if the Agreement is not renewed, the City shall pay to the Manager, or her designated beneficiary the Manager's Base Salary, plus automobile allowance owed through the date of termination, and all accrued but unused vacation and sick leave, up to the maximum accruals as set forth in Section 8.
- B. If the Manager is terminated for good cause, then the City shall pay to the Manager the Manager's base salary plus automobile allowance owed through the date of termination, and all accrued but unused vacation and sick leave, up to the maximum accruals as set forth in Section 8.

Section 16. Resignation

Nothing in this Agreement shall prevent, limit or interfere with the right of the Manager to resign at any time. In the event the Manager desires to resign employment, the Manager shall give written notice to the City a minimum of forty-five (45) days prior to separation. The City shall have no obligation to pay Manager any further compensation after the expiration of the notice period. Upon the effective date of resignation, the City shall pay to the Manager all accrued but unused vacation and sick leave, up to the maximum accruals as set forth in Section 8. Failure to give the required forty-five (45) day notice constitutes a waiver and forfeiture of pay for all accrued vacation and sick leave. By accepting this Agreement, Manager expressly authorizes the City to withhold any amounts due and owing to the City due to Manager's resignation from any sums due and owing to City upon separation.

Section 17. Indemnification

To the extent it may be permitted to do so by applicable law, and to the fullest extent allowed by law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 102, the City does hereby agree to defend, hold harmless, and indemnify Manager from any and all demands, claims, suits, actions, judgments, expenses and Managers' fees incurred in any legal proceedings brought against Manager in the Manager's individual or official capacity as a Manager and as City Manager, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and Managers' fees, arose or does arise in the future from an act or omission of Manager, as an Manager of the City, acting within the course and scope of the Manager's employment with the City; excluding, however, any such demand, claim, suits, actions, judgments, expenses and Managers' fees for those claims or any causes of action where it is determined by a court of competent jurisdiction that the Manager committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the City or by the Manager. The selection of the Manager's legal counsel shall be with the mutual agreement of the Manager and the City. A legal defense may be provided through insurance coverage, in which case the Manager's right to agree to legal counsel provided for Manager will depend on the terms of the applicable insurance contract. Only to the extent this Section exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this Section shall survive the termination, expiration or other end of this Agreement and/or the Manager's employment with the City. Nothing in this Section affects or serves to limit the coverage that may apply to the benefit or protection of the Manager by any insurance policy held by and in effect for any purpose or reason, to include purposes and reasons including coverage for acts and omissions actionable under the Texas Tort Claims Act. The Manager may seek coverage and protection as may be available to them, to include but not be limited to the provision of a legal defense, directly from the City's insurance carrier and the Manager is not required to obtain any permission from the City Council or any officer or Manager of the City to seek such coverage and protection. Nothing in this Section requires the City to continue to procure any insurance held by the City on the effective date of this Agreement. The City will give sixty (60) days' notice to Manager before any such insurance is canceled or not renewed or replaced with substantially similar coverage from a different carrier.

Section 18. Bonding

City shall bear the full cost of any fidelity or other bonds required of the Manager under any law or ordinance.

Section 19. Notices

Notice pursuant to this Agreement may be given by personal service, by email, by nationally recognized courier, or by depositing in the custody of the United States Postal Service, postage prepaid, and addressed as follows:

(a) CITY: City of El Paso, Texas

ATTN: Mayor P.O. Box 1890 El Paso, TX 79950-1890

(b) MANAGER:

Dionne Mack lachelle2@me.com

Notice shall be deemed given as of the date of personal service or email, as of the date the email is sent, of delivery by courier, or as the date five days after the date of deposit in the custody of the United States Postal Service.

Section 20. General Provisions

- A. <u>Merger.</u> This written Agreement contains all the terms and conditions agreed upon by the parties, and no other agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties, or to vary any of the terms contained in this Agreement.
- B. <u>Amendments.</u> The City and Manager by mutual written agreement may amend this agreement. Such amendments shall be incorporated into and made a part of this Agreement.
- C. <u>Assignment.</u> This Agreement may not be assigned by either party without the written consent of the other party.
- D. <u>Severability.</u> If this Agreement contains any unlawful provision not an essential part of the Agreement and which shall not appear to have been a controlling or material inducement to the making of this Agreement, the unlawful provision shall be deemed of no effect and shall, upon agreement by the parties, be deemed stricken from the Agreement without affecting the binding force of the remainder.
- E. <u>Headings and Captions</u>. Headings and captions used in this Agreement are provided for convenience only and shall not be used to construe or interpret meaning or intent.
- F. <u>Waiver</u>. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of any party.
- G. <u>Successors in Interest.</u> Each and every one of the terms, conditions and covenants contained herein shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, assigns and successors of the parties hereto.
- Manager's Fees. In the event of any dispute or controversy between City and Manager relating to the interpretation or enforcement of this Agreement, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party.

- I <u>Counterpart Execution</u>. This Agreement may be executed in two or more identical counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.
- J. <u>Consultation with an Attorney.</u> The City advises Employee to consult with an Attorney of their choice prior to executing this agreement. City acknowledges that they have consulted with and has been advised by their Attorney prior to signing (executing) this agreement.
- K. <u>Representations.</u> City Manager hereby represents and certifies that they (i) have been provided a reasonable period of time to consider this Agreement, (ii) have carefully read all of this Agreement and have been given a fair opportunity to discuss and negotiate the terms of this Agreement, (iii) understands the provisions of this Agreement, (iv) have been advised that they are entitled to consult with an attorney regarding this Agreement, (v) has determined that it is in their best interest to enter into this Agreement, (vi) has not been influenced to sign this Agreement by any statement, representation or coercive act of the City, the City Council or its counsel not contained in this agreement, and (vii) is entering into this Agreement knowingly and voluntarily.

(Signatures Appear on the Following Page)

(Signatures to Amended and Restated City Manager Employment Agreement)

CITY OF ELPASO

Name Repard II

Title: Mayor

Executed this the 28 day of August, 2025

EMPLOYEE

Name: Dionne Mack

Title: City Manager

Executed this the 28 day of August, 2025

ATTEST:

Br. Lawra D. Onine

Name: Laura Prine

Title: City Clerk

Executed this the 28 day of August, 2025

APPROVED AS TO FORM

Lea A. Ream

Davidson Troilo Ream & Garza, P.C.

Outside Counsel

City Manager Severance Agreement

THIS SEVERANCE AGREEMENT (hereinafter referred to as the "Agreement") is made and entered into this the 27th day of August, 2025 ("Effective Date"), by and between The City of El Paso, Texas, A Texas municipal corporation (the "City"), and Dionne Mack (the "City Manager"), both of which parties hereto understand and agree as follows:

WHEREAS, the City and City Manager executed that certain City Manager Employment Agreement dated effective September 3, 2024 (the "Original Employment Agreement");

WHEREAS, the parties subsequently determined that certain terms of the Original Employment Agreement required modification and entered into that certain Amended and Restated City Manager Employment Agreement dated effective August 27, 2025 (the "Employment Agreement");

WHEREAS, the City Council of the City of El Paso ("City Council"), finds it is in the best interest of the City to address any severance payment provided to the City Manager in the event the City Council decides to terminate the City Manager's employment without good cause during such time the City Manager is willing and able to continue performing the duties of the City Manager;

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. <u>FINDINGS INCORPORATED</u>. The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the definitions, mutual covenants, consideration and promises that bind the parties.
- **2.** <u>TERM</u>. This Agreement shall be effective as of the Effective Date and shall continue thereafter through the term of the Employment Agreement, as amended, unless terminated sooner under the provisions hereof.

3. <u>SEVERANCE PAY</u>.

- (a) The City must pay the severance as described below to the City Manager if employment is terminated by the City without good cause:
 - 1. If said involuntary termination without good cause by the City occurs on or before March 31, 2026, the City shall provide a severance payment equal to eighteen (18) months' Base Salary at the then current rate of pay, less required payroll deductions. This severance shall be paid in a lump sum or in a continuation of salary on the existing biweekly basis, at the City Manager's option if allowed by law. If said involuntary termination without good cause by the City Manager occurs after March 31, 2026, the City shall provide a

severance payment equal to twelve (12) months' Base Salary at the then current rate of pay, less required payroll deductions. This severance shall be paid in a lump sum or in a continuation of salary on the existing biweekly basis, at the City Manager's option if allowed by law. "Good cause" is defined in Section 14 A. 6 of the Employment Agreement.

- 2. The City Manager shall also be compensated for all accrued but unused vacation and sick leave, up to the maximum accruals as set forth in Section 8 of the Employment Agreement, and the City Manager's automobile allowance to the date of the termination of the Employment Agreement, as amended.
- (b) If any provisions of the City Charter are amended to substantially change the form of government, including but not limited to moving away from the Council/Manager form of government, or any other Charter amendments that materially change the role, powers, duties, authority or responsibilities of the City Manager's position, the Manager shall have the right to declare that such amendments constitute termination without cause for which the City Manager would be entitled to the severance described above.
- (c) In the event the severance provisions of Section 3 are triggered, the parties agree that they shall execute a Mutual Release of All Claims ("Mutual Release") substantially in the form attached hereto as Exhibit "A" and incorporated herein for all purposes.
- 4. TERMINATION. This Agreement shall terminate automatically without further notice to either party upon: (1) termination of the Employment Agreement, as amended; and/or (2) payment of the severance pay as provided in Section 3 of this Agreement by the City to the City Manager.
- 5. <u>MISCELLANEOUS PROVISIONS</u>. The following miscellaneous provisions are a part of this Agreement:
 - (a) Amendments. This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.
 - (b) Applicable Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in El Paso, Texas. Venue for any action arising under this Agreement shall lie in the state courts of El Paso, Texas.
 - (c) Assignment. This Agreement may not be assigned without the express written consent of the other party.
 - (d) Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.

- (e) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- (d) Entire Agreement. This written agreement represents the final agreement between the parties as to the matters set forth in this Agreement and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.
- (e) Severability. The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

EXECUTED THE 28 DAY OF August, 2025.

CITY OF EL PASO

Name: Renard U. oh son

Title: Mayor

EMPLOYEE

Name: Dionne Mack Title: City Manager

ATTEST:

By: Kallrad Prine

Name: Laura Prine Title: City Clerk APPROVED AS TO FORM

Lea A. Ream

Davidson Troilo Ream & Garza, P.C.

Outside Counsel

EXHIBIT "A"

MUTUAL RELEASE OF ALL CLAIMS

The intent of this Mutual Release of All Claims ("Agreement") is to mutually, amicably, and finally settle all matters relating to the employment and separation from employment by Dionne Mack (hereinafter referred to as "Manager" or "Mack") from the City of El Paso (hereinafter referred to as the "City").

- 1. Separation & Last Day Worked. The City and Manager entered into the City Manager Employment Agreement dated effective September 3, 2024 for employment as the City Manager of the City, which may have been subsequently amended (the "Employment Agreement") and on August ___, 2025 entered into a Severance Agreement. In connection with the Severance Agreement the parties agreed to execute a mutual release of all claims in the event that the severance provisions of the Severance Agreement are triggered. On _____, 20__ Mack [separated or will be separating] from employment as the City Manager as the City of El Paso ("City Manager") and the parties agree that the severance provisions of the Severance Agreement have been triggered.
- 2. <u>Severance Consideration</u>. As consideration for the mutual promises and obligations in this Agreement, Mack and the City agree to release any and all claims that either may have against the other concerning Mack's employment and separation from employment and following such release, the City shall pay the severance described in the Severance Agreement. This severance shall be paid in a lump sum or in a continuation of salary on the existing biweekly basis, at Mack's option. The Severance will be subject to normal withholdings for taxes and other applicable deductions and if paid in lump sum, will be paid to Mack no later than fourteen days after the Effective Date of this Agreement, otherwise payments will be made on the City's regular payroll dates.
- Release of Claims by Mack. Effective upon payment of the severance described in Paragraph 2 above and in consideration for the mutual promises and undertakings contained in this Agreement, Mack hereby waives, releases and discharges, and agrees that Mack will not institute, prosecute or pursue any complaint, claim, charge, claim for relief, demand, suit, action and cause of action, whether in law or in equity, which Mack has, had or may have, if any, or could assert against the City, its council members, officers, employees, and all other agents, directors, representatives, attorneys, successors and assigns, at common law or under any statute, rule, regulation, order or law, whether federal, state or local, on any ground whatsoever, known or unknown, based upon actions of the City that occurred prior to the execution and approval of this Agreement, including but not limited to: any and all actions for breach of her Employment Agreement, as amended,

Severance Agreement, or any other contract or agreement, oral or written, express or implied; breach of the covenant of good faith and fair dealing, express or implied; wrongful termination in violation of public policy, and all other claims for wrongful termination and constructive discharge; discrimination of any type, including retaliation; all other tort claims including, but not limited to, intentional or negligent infliction of emotional distress, invasion of privacy, negligence, negligent investigation, negligent hiring, negligent retention, negligent supervision, assault and battery, defamation, intentional or negligent misrepresentation and fraud; any and all claims arising under any statute, including but not limited to Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Age Discrimination in Employment Act of 1967, the Older Workers' Benefit Protection Act, the Employee Retirement and Income Security Act, the Americans with Disabilities Act, the Federal Rehabilitation Act of 1973, 42 U.S.C. Section 1981, the Family and Medical Leave Act, the Unruh Act, as amended, the Texas Commission on Human Rights Act; any and all other laws and regulations relating to employment termination, employment discrimination or retaliation, wages, hours, benefits, compensation; and any and all claims for attorneys' fees and costs. Mack also affirms that Mack has not filed, caused to be filed, and is not presently a party to any claim, complaint, or action against the City in any forum or venue. It is understood and agreed that Mack is unaware of any claim, right, demand, debt, action, obligation, liability or cause of action that Mack may have against the City, which has not been released by this Agreement. Employee does not waive her rights under any claim for vested benefits under any retirement or savings plan applicable to her. This general release and waiver of claims shall not apply to any rights or claims arising after the Effective Date of the Agreement. This Agreement does not cover, affect, or alter any rights that cannot, by law, be released by agreement. This Section 3 also does not cover, affect, alter or release, the provisions set forth herein entitling Employee to the benefits set forth herein.

- 4. Release by City. Effective upon Mack's release of claims in paragraph 3 and in consideration for the mutual promises and undertakings contained in this Agreement, the City, on behalf of itself and its council members, officers, employees and all other agents, directors, representatives, attorneys, successors and assigns, hereby waives, releases and discharges, and agrees that the City will not institute, prosecute or pursue any complaint, claim, charge, claim for relief, demand, suit, action and cause of action, whether in law or in equity, which the City has, had or may have, if any, or could assert against Mack or her representatives, attorneys, successors and assigns, at common law or under any statute, rule, regulation, order or law, whether federal, state or local, on any ground whatsoever, known or unknown, which arises out of or relates in any way to her employment at the City.
- 5. <u>Employee's Rights.</u> Employee is entitled to receive the following payments or benefits whether or not she signs this Agreement: all vested retirement/pension benefits (if applicable), COBRA rights (if applicable), and all disability or other insurance or plan benefits to which she may be entitled.

- 6. **No Admission of Liability.** This Agreement is negotiated the liability for which, and the amount of damages for which, if any, are uncertain and unknown. Nothing contained in this Agreement shall be construed as an admission of liability by or on behalf of any party, all such liability being expressly denied.
- 7. Severability and Jurisdiction. If any of the provisions herein are determined to be invalid by a tribunal of competent jurisdiction, it is agreed that such determination will not affect the enforceability of the other provisions herein. Texas law shall govern the validity and interpretation of this Agreement.
- 8. <u>Preparation of Agreement</u>. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties hereto. Regardless of which party initially drafted this Agreement, it shall be construed and enforced as a mutually prepared Agreement.
- 9. Attorney Consultation; Time to Consider. The City hereby advises Mack that she should consult with an attorney before executing this Agreement. Mack shall have a period of up to twenty-one (21) days after Mack receives this Agreement within which to review and consider the provisions of this Agreement.
- 10. Voluntary Agreement, Advice of Counsel and Return of Payments. In signing this Agreement, Mack expressly warrants that Mack has read and fully understands this Agreement and acknowledges that this Agreement is voluntary and that no one is making or forcing Mack to enter into it. Mack understands and acknowledges that Mack has seven (7) calendar days following the execution of this Agreement to revoke her acceptance of the Agreement. If Mack choses to revoke the Agreement during the 7-day revocation period, Mack must inform the City in writing of her decision to revoke the Agreement. If Mack signs this Agreement prior to the expiration on the 21-day period, the 7-day period commences on the date Mack signs this Agreement. This Agreement will not become enforceable until the Effective Date of this Agreement and after the expiration of this 7-day period.
- 11. <u>Non-Assignment of Claims.</u> Mack and the City represent that they have not assigned, transferred, or attempted to assign or transfer, to any person or entity, any of the claims released in this Agreement.
- 12. **Breach**. In the event one Party breaches any part or parts of this Agreement, legal proceedings may be instituted against that Party to enforce the Agreement. The Party found to be in breach of this Agreement shall reimburse the non-breaching Party for its reasonable costs and expenses, including attorneys' fees and costs, incurred in enforcing this Agreement.

- 13. **Binding Effect.** The City and Mack agree that this Agreement will be binding on her and its heirs, administrators, representatives, executors, successors and assigns, and shall inure to the benefit of her or its heirs, administrators, affiliates, parent companies, representatives, executors, successors and assigns.
- 14. <u>Entire Understanding</u>. This Agreement constitutes the entire understanding of the parties and supersedes all prior agreements and understandings between the parties on the subjects covered.
- 15. Effective Date. As used in this Agreement, "the Effective Date of this Agreement" means the date on which all of the following events have been completed: this Agreement has been fully executed by Mack and the City's Mayor and the revocation period has expired without Mack revoking the Agreement.
- **Amendment.** Except as otherwise provided in this Agreement, neither party may amend this Agreement without the prior written consent of the other party.

Agreed to:	The City of El Paso
By: Dionne Mack	By:
Date	Date