

**EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement") is made and entered into as of November 19, 2024, by and between the South Bay Regional Public Communications Authority ("Authority") and John Krok ("Krok") (collectively, the "Parties"), with reference to the following facts and circumstances:

**RECITALS:**

WHEREAS, the Authority seeks to hire Krok on a full-time basis in the position of Executive Director of the Authority;

WHEREAS, the Executive Committee of the Authority finds that the position of Executive Director requires specialized skills;

WHEREAS, the Executive Committee of the Authority finds that Krok possesses these specialized skills, and wishes to hire Krok as full-time Executive Director until such time as the Authority deems Krok's services are no longer necessary or desirable;

WHEREAS, Krok has agreed to make himself available to the Authority, to do whatever is necessary and to spend whatever amount of time is necessary to carry out all the responsibilities of the Authority's full-time Executive Director; and

WHEREAS, the Authority desires to employ Krok and Krok desires to be employed by the Authority for the purposes and on the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and Krok agree as follows:

1. **Employment.** The Authority hereby employs Krok on an at-will basis for the purposes and on the terms and conditions set forth in this Agreement. The Parties agree that the only rights and benefits accruing to Krok are those afforded under this Agreement so that any implied rights under the law are expressly excluded. The Authority shall employ Krok as the Executive Director for the Authority, serving at the will and pleasure of, and reporting directly to, the Executive Committee of the Authority., Krok shall serve as Executive Director and shall perform all acts and duties incident thereto, including, but not limited to, the duties and responsibilities of Executive Director as set forth in the appropriate job description, the policies of the Authority now or hereafter adopted, the bylaws of the Authority, and such other duties and responsibilities as may now or hereafter be assigned to the Executive Director by the Executive Committee.

Krok's employment is on a full-time and "best efforts" basis, meaning that during the term of this Agreement, Krok shall not accept any other full- or part-time employment or self-employment, including without limitation as an independent consultant, after working hours or otherwise, without the prior written consent of the Authority, which may be given, withheld,

or conditioned in the Authority's sole and absolute discretion. Krok shall devote his full energies, interests, abilities, and productive time to the performance of his duties and responsibilities under this Agreement.

Krok shall work a 4/10 flex schedule unless otherwise directed by the Authority, but the Parties agree that Krok shall commit as many hours and as much effort required to manage the Authority's operations. The Executive Director position is classified as "exempt" under the Fair Labor Standards Act, and Krok shall not be eligible for overtime pay, regardless of the number of hours worked.

**2. Term of Employment.** Krok shall serve as Executive Director at the will of the Authority's Executive Committee. The Parties desire and intend that Krok be employed by the Authority for a full two (2) years, and accordingly this Agreement is effective until November 19, 2026, unless earlier terminated. Krok and the Authority expressly agree that Krok's employment with the Authority is at-will and that employment may be terminated at any time, with or without cause, by either party. Unless earlier terminated, this Agreement will naturally expire on November 19, 2026, and employment beyond that date will be subject to the Parties executing a new agreement.

**3. Compensation.**

**a. Salary.** During the term of this Agreement, the Authority shall pay a base salary to Krok at the rate of \$19,000.00 per month (\$228,000.00 annually), payable in bi-weekly equal installments, subject to such deductions and withholdings as the Authority may be required to make pursuant to applicable law, governmental regulation, or court order. The Executive Director position is exempt from overtime and minimum wage provisions of the Fair Labor Standards Act.

**b. Annual Performance Evaluation.** Upon completion of the first year of service, the Executive Committee of the Authority shall conduct an evaluation of Krok's performance. Upon completion of the performance evaluation, the Executive Committee may, at its sole discretion, award Krok a merit-based increase in his base salary of up to 5% based on factors including, but not limited to, Krok's performance during the past year and adjustments in base pay provided to Krok's subordinates.

**c. Medical Allowance.** The Authority will contribute the following amount per month towards Krok's health and dental insurance premiums, which shall be \$1,500.00 for Krok and one eligible family member.

**d. Life Insurance.** The Authority will provide Krok group life insurance in the amount of \$100,000.00 on the first day of the month following his commencement as Executive Director in accordance with the provisions of any contract between the Authority and any company or companies of the Authority's choosing.

**e. Deferred Compensation.** The Authority will contribute \$500 per month to a deferred compensation plan of its choosing.

**f. Cell Phone Expense.** Krok shall be provided the use of an Authority-owned cell phone for business use during his tenure as Executive Director. The cell phone shall remain the property of the Authority, and may be collected and searched by the Authority at any time for any reason.

**g. Reimbursement for Business Expenses.** Krok shall be compensated only as provided in this Agreement. The Authority recognizes that certain expenses of a non-personal and job-related nature may be incurred by Krok and accordingly, the Authority, pursuant to its expense reimbursement policy, agrees to reimburse Krok for such reasonable expenses as are submitted to the Authority for approval. Any such requests for reimbursement shall be accompanied by expense receipts, statements, or other proof of expenditure. Krok shall not incur any travel expenses without prior approval of the Chair of the Executive Committee.

**h. General Leave Accrual; Holidays.** Krok shall accrue general leave at the rate of twenty-six (26) hours for every one (1) month of continuous service. Such accrual shall also encompass Krok's state mandated sick time, which will accrue at a rate of one (1) hour per thirty (30) hours worked until the total accrual reaches fifty (50) hours. Krok shall receive an additional forty-four (44) hours of general leave at the commencement of his first year of employment and an additional forty-four (44) hours of general leave at the commencement of his second year of employment. Krok shall have the ability to cash out 50% of his accrued general leave each year at 100% of the base rate of pay, but this excludes sick time. Krok shall also be entitled to take off the eleven (11) fixed public holidays observed by the Management and Confidential Employee Group.

**1. Reporting Sick Leave.** Krok shall follow Authority procedures and use Authority forms for reporting sick leave use.

**2. No Cash Payment For Sick Leave.** In no event shall the Authority make a cash payment to Krok for accumulated and unused sick leave.

**i. Fringe Benefits.**

**1. Retirement.** The Authority has contracted with the California Public Employees Retirement System (CalPERS) for coverage for Classic Member under the basic plan for non-safety employees without modifications. All full-time employees are required to belong to the system. The Authority's retirement coverage formula of 2% shall be effective at fifty-five (55) years of age.

2. The Authority shall not be deemed responsible to provide for Krok any financial or other obligation which is provided to regular employees of the Authority. Krok shall not receive fringe benefits of any kind from the Authority other than those specifically stated herein. The Authority shall provide liability insurance coverage for Krok's acts within the course and scope of his duties as the Authority's Executive Director.

4. **Termination.**

a. **At-Will Employment.** The Executive Director position is an at-will position. Either the Authority or Krok may terminate this Agreement at any time, with or without cause, by delivering written notice of its decision to the other party.

b. **Termination Upon Incapacity.** Krok's employment with the Authority shall cease upon the date of his death or physical or mental incapacity to the extent that Krok becomes incapacitated for more than thirty (30) consecutive days or sixty (60) days in the aggregate in any 12-month period to perform his duties on a full-time basis. Upon termination for death or physical or mental incapacity, Krok shall be entitled to receive the compensation described in Section 3 through the date of termination of this Agreement.

5. **Indemnification.**

a. **Indemnity.** In accordance with the provisions of Government Code sections 825 and 995, the Authority shall defend the Krok from any and all demands, claims, suits, actions, and legal proceedings brought against the Krok in his capacity as an agent and employee of the Authority, provided that the incident giving rise to such demand, claim, suit, action, or legal proceeding arose while the Krok was acting within the scope of employment. Upon retirement from the Authority, the Krok will continue to be indemnified for any actions taken against the Executive Director related to his role as Executive Director.

6. **Miscellaneous.**

a. **Confidential Information.** Krok acknowledges and stipulates that in the performance of his duties, the Authority discloses and entrusts him with certain confidential or proprietary information. Krok agrees not to directly or indirectly disclose or use at any time any such information, whether it be in the forms of records, lists, data, personnel information, drawings, reports, or otherwise, of a business or technical nature, which was acquired or viewed by Krok during Krok's relationship with the Authority unless such disclosure is authorized by the Authority in writing, required by law, or required in the performance of the duties of the Executive Director. This provision shall survive the termination or expiration of this Agreement.

b. **Assignment.** This Agreement is for the unique personal services of Krok and may not be assigned by Krok without the expressed written consent of the Authority.

Except as so provided, this Agreement shall be binding upon and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the Parties hereto.

c. **Severability.** Each provision, sub-provision, or term of this Agreement is intended to be severable and shall continue in full force and effect although other provisions herein may be determined invalid or void for any reason.

d. **Incorporation.** The Recitals are true and correct and incorporated into this Agreement by this reference.

e. **Attorneys' Fees.** In the event suit is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to costs and reasonable attorneys' fees, including without limitation those costs and fees incurred upon any appeal, as awarded by the court.

f. **Entire Agreement; Amendments.** This Agreement contains the entire agreement of the Parties with respect to the subject matter covered hereby and may be amended, waived, or terminated only by an instrument in writing signed by the Parties hereto. This Agreement shall be interpreted according to its fair meaning and not for or against the party which drafted same.

g. **Execution.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Signatures delivered electronically or by facsimile shall be deemed to constitute original signatures.

h. **Governing Law.** This Agreement has been executed in the State of California and shall be governed in accordance with the laws, rules, and regulations of the State of California. In the event there is a conflict between this Agreement and any Authority policies, rules, or regulations, this Agreement shall prevail.

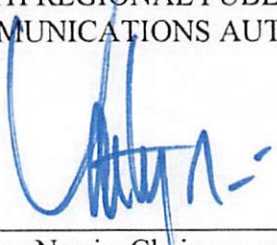
i. **Independent Judgment.** Krok acknowledges that he has had the opportunity to review this Agreement and has conducted an independent review of the financial and legal effects of this Agreement. Krok acknowledges that he has made an independent judgment regarding the financial and legal effects of this Agreement and has not relied upon any representation of the Authority, its officers, agents, employees, or attorneys, other than those expressly set forth in this Agreement.

j. **Effectiveness.** The effectiveness of this Agreement shall be contingent upon approval by the Authority's governing board in open session at a lawfully called regular board meeting as required by law.

**IN WITNESS WHEREOF,** the Parties have caused this Agreement to be signed and executed personally or on its behalf by its duly authorized representative.

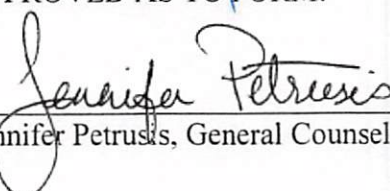
SOUTH REGIONAL PUBLIC  
COMMUNICATIONS AUTHORITY

By:

  
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Vontray Norris, Chairman of the Executive  
Committee

11/19/24

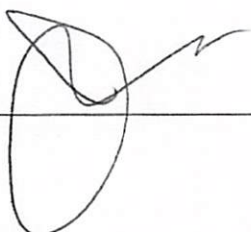
APPROVED AS TO FORM:

  
\_\_\_\_\_  
Jennifer Petrusis, General Counsel

11/19/2024

JOHN KROK

By:

  
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11/19/24