EMPLOYMENT AGREEMENT CITY ADMINISTRATOR

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and entered into by and between the City of Angels, a California municipal corporation ("City"), and Pamela Caronongan, an individual ("Employee"). City and Employee may individually be referred to herein as "Party" or collectively as "Parties." There are no other parties to this Agreement.

RECITALS

- A. City requires the immediate services of a person with proven executive and administrative qualifications to fill the position of City Administrator ("City Administrator").
- B. City, acting by and through the City of Angels City Council ("<u>City Council</u>") has evaluated Employee's knowledge, experience, administrative skills and abilities, and desires to hire and appoint Employee as City Administrator pursuant to the terms of this Agreement.
- C. The Parties desire to execute this Agreement pursuant to the authority of and subject to the provisions of California Government Code sections 53260 and 36506.
- **NOW, THEREFORE**, in consideration of the mutual covenants entered into between the Parties and in consideration of the benefits that accrue to each, it is agreed as follows:

AGREEMENT

- Section 1. Recitals. The recitals set forth above ("Recitals") are incorporated herein by this reference and made a part of this Agreement. In the event of any inconsistencies between the Recitals and Sections 1 through 14 of this Agreement, Sections 1 through 14 will prevail.
- Section 2. <u>Effective Date</u>. This Agreement shall become effective once executed by both the City and Employee ("Effective Date").

Section 3. Appointment of City Administrator, Duties and Term.

3.1. Appointment of City Administrator and Duties. Commencing February 24, 2025 ("Start Date"), Employee shall serve as City Administrator of City and shall be vested with the powers, duties, and responsibilities set forth in Chapter 2.08 of the Angels Municipal Code ("MC"), the City Administrator Job Description, the City Personnel Policy, Rules and Regulations (as may be amended from time to time) and under applicable California law. Employee shall further perform the functions and duties specified under the laws of the State of California, the MC, the then current ordinances and resolutions of the City, and such other duties and functions as the City Council may from time-to-time assign. The City Council may also designate Employee as the chief executive of other City-related legal entities, such as a redevelopment agency, financing authorities, or joint powers authorities.

3.2. **Employee's Obligations.** Employee agrees that Employee will comply with any and all City policies or requirements regarding background checks and/or fitness for duty examinations as soon as reasonably possible. Employee further agrees to comply with all other applicable laws, ordinances, regulations, and City rules and policies. Employee further agrees that Employee shall devote Employee's productive time, abilities, and attention as necessary to the full accomplishment of Employee's duties and the City's business needs. Accordingly, Employee shall not hold secondary employment or engage in activities which conflict with, or present the appearance or possibility of conflicting with, City's legitimate business interests. As such, Employee agrees that Employee will notify the City Council in writing if Employee wishes to accept secondary employment sufficiently in advance to allow the City Council to determine whether there is the appearance of, or an actual conflict or potential conflict with the satisfactory performance of Employee's duties and/or the best interest of the City. Should the City Council make such a determination, Employee agrees that Employee will forgo the proposed secondary employment. Notwithstanding the foregoing, Employee shall have the right to volunteer for such nonprofit organizations as Employee may see fit, provided that such volunteer services shall not interfere with Employee's duties on behalf of the City.

Employee's initial duties shall be as shown in the job description attached as **Exhibit A**. Employee shall perform Employee's duties and responsibilities under this Agreement pursuant to the laws of the State of California and applicable City municipal codes and resolutions. Employee understands that Employee's duties may be amended from time to time by the City, as necessary to meet the City's needs. No modification or change in Employee's responsibilities, duties or position shall otherwise change or revoke any other provision of this Agreement.

- 3.3. Exempt Employee. The general business hours for City employees are Monday through Friday, 8:00 a.m. to 5:00 p.m. However, it is recognized by the Parties that Employee is an exempt employee for purposes of the Fair Labor Standards Act of 1938 (29 U.S.C., § 201 et seq.). As such, Employee acknowledges that Employee shall not receive overtime or extra compensation for hours worked outside of the City's general business hours which are necessary to fulfill the duties of the City Administrator's position, unless otherwise provided in this Agreement.
- 3.4. Hours of Work. The position of City Administrator is an exempt position. As such, Employee shall not have set hours of work, as the City Administrator is expected to be reasonably available at all times and work such hours as may be necessary to the full accomplishment of Employee's duties. Employee shall spend as much time at City offices during regular business hours as is possible given Employee's other job responsibilities such as interagency and offsite meetings, advocacy and representation of the City, professional development, and other official duties. Employee's schedule shall be arranged to meet the needs of the City and to allow Employee to satisfactorily perform Employee's duties and responsibilities.

It is recognized that the City Administrator must devote additional time outside normal office hours to the business of the City, and to that end, Employee's work schedules each day and week shall vary in accordance with the work required to be performed. Employee's performance will be evaluated on accomplishments, not hours worked. For purposes of utilizing

leave balances, Employee's work schedule shall be based upon a forty (40) hour work week, not an eight (8) hour day.

3.5 Term. The initial term of this Agreement shall be for three (3) years commencing on the Start Date and shall continue through February 23, 2028, unless terminated earlier by either Employee or the City in accordance with the provisions of Section 10 of this Agreement, or as required by law ("Term"). The City Council in its sole discretion may elect to extend this Agreement from time to time in increments of at least one (1) year. No later than three (3) months prior to the expiration of the Term, Council shall provide written notice to Employee as to whether the Council intends to extend the Term. If no notice of intent to terminate is provided, the Agreement shall continue for an additional one-year period.

Section 4. At-Will Employment.

4.1. At Will. Employee is an at-will employee serving at the pleasure of the City Council, with no set duration of employment, as provided in Government Code section 36506. Accordingly, as set forth in Section 10 of this Agreement, Employee's employment may be terminated by either Party to this Agreement at any time, with or without cause. No modification or change of Employee's position, responsibilities, duties, compensation, benefits and/or job description shall otherwise modify, change or revoke any provision of this Employment Agreement, or Employee's status as an at-will employee.

Unless otherwise specified in this Agreement, Employee shall be bound by all the policies, rules, and regulations of City now in force and effect applicable to Employee's position, and by all such other applicable policies, rules and regulations as may be hereafter implemented and called to Employee's notice and will faithfully observe and abide by the same. No such policy, rule or regulation shall alter, modify or revoke Employee's status as an at-will employee or any other provision of this Agreement.

4.2. No Property Right in Employment. Employee understands and agrees that the terms of Employee's employment are governed solely by this Agreement. Employee further understands and agrees that this Agreement does not confer a right of employment for any specified term and that Employee is not entitled to pre-or-post disciplinary action due process for any disciplinary action, including termination under the City's personnel policies, regulations, ordinances, rules or any Memorandum of Understanding.

Section 5. <u>Compensation and Evaluations.</u>

5.1. Base Salary. City agrees to pay Employee an annual salary ("Base Salary"), as set by the City's current Salary Plan at City Administrator, Step 1, in the amount of One Hundred Fifty-Three Thousand One Hundred Ninety-Three Dollars (\$153,193.00). Employee's Base Salary shall be payable in installments at the same time that the other City employees are paid. Employee shall be eligible for salary increases annually, as determined by the City Council per MC section 2.08.020, and any applicable City policy.

Employee acknowledges that the Base Salary may be subject to a pro-rata decrease should Council adopt an unpaid Mandatory Furlough Plan applicable to other similarly situated full time exempt employees as a budgetary measure.

- 5.2. Review and Evaluation. The City Council will review and evaluate Employee's performance as City Administrator after completion of three (3) months and again after completion of six (6) months of employment and provide Employee with a written performance review. Thereafter, City Council will review and evaluate Employee's performance annually and at other times the Council deems appropriate in its discretion. The Council may also provide other increases in salary and/or benefits as they deem appropriate based on Employee's performance, which will not require an amendment of this Agreement.
- **5.3. Benefits**. Unless otherwise specified in this Agreement, Employee will be eligible for the benefits provided in the following identified sections of the City of Angels Exempt Employees Memorandum of Understanding 2024-2027 ("MOU"), in accordance with the provisions of the sections listed below to the extent these sections vest authority in a Department Head, City Manager or designee, authority shall vest to the Mayor or other Council member designated by City Council.
 - A. Section 14-Management Leave;
 - B. Section 15-Holidays;
 - C. Section 16-Allowance;
 - D. Section 17-Sick Leave;
 - E. Section 18-Bereavement Leave:
 - F. Section 19-Other Leaves of Absence;
 - G. Section 20-Break in Service:
 - H. Section 21A-Medical, Dental, Vision Insurance;
 - I. Section 21B-Life and Long-term Disability;
 - J. Section 21D-Public Employees Retirement System (P.E.R.S.);
 - K. Section 22-Longevity Pay;
 - L. Section 23-Tuition Reimbursement; and
 - M. Section 24-Cell Phone Reimbursement.

A copy of the MOU is attached to this Agreement as **Exhibit B**. Employee acknowledges that the level of benefits and/or the portion of premiums paid by the City is subject to change and that benefits under this Agreement as set forth in the MOU may be modified. In the event a successor MOU includes a change to any of the sections enumerated above, the City Council shall, in its discretion, determine the extent to which such changes are applicable to Employee. Employee will be entitled to other leaves or benefits as required by law or for which Employee may be eligible under City's Personnel Rules.

Employee further acknowledges that all benefits to which Employee may be entitled shall be accrued and administered in accordance with applicable City Personnel Rules, policies and regulations, or MOU which City deems applicable by its terms to Employee's position as City Administrator.

- **Section 6.** Automobile Expenses. If it is necessary for Employee to use a personal vehicle for City business and City-related business, such as conferences and meetings, Employee shall be reimbursed at the then current allowable IRS mileage rate. Employee shall be responsible for paying the cost of liability, property, damage and comprehensive insurance in conformance with policy as may be established by the Risk Management Authority. Employee shall have the City named as an additional insured on any insurance policy Employee maintains on automobiles used while travelling for City business.
- Section 7. General Expenses. City recognizes that certain job-related expenses will be incurred by Employee and City hereby agrees to reimburse or to pay said general expenses in accordance with MC section 2.08.100 and City policies. The Finance Director, or designee, is hereby authorized to disburse such monies upon receipt of duly executed invoices, petty cash vouchers, receipts, statements, or other appropriate documentation.

City further recognizes that in accepting employment with City, Employee will incur relocation expenses. City agrees to reimburse Employee for such expenses in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00), provided Employee presents proof of expenses in accordance with this Section 7. Employee understands and agrees that Employee's failure to remain employed through February 23, 2026, due to Employee quitting, retiring, or otherwise voluntarily ending Employee's employment, or as a result of termination for cause as defined in Section 10.5, will trigger Employee's duty to repay all sums City has reimbursed to Employee as relocation expenses. Employee understands and agrees that repayment shall be made to City within three (3) months of Employee's last day of employment, and that Employee's obligation under this this Section 7 shall survive termination of this Agreement.

Section 8. <u>Dues and Subscriptions</u>. City agrees to budget and pay for the professional dues and subscriptions of Employee, as needed for the continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for Employee's continued professional participation, growth, and advancement, and for the good of the City, including, but not limited to, League of California Cities (LCC) and the International City/County Management Association (ICMA), subject to the terms set forth in Section 7 of the Agreement.

Section 9. <u>Professional Development.</u>

- 9.1 Travel Expenses. City hereby agrees to budget and pay for travel and subsistence expenses of Employee for necessary professional and official travel, meetings and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other functions for City, subject to the terms set forth in Section 7 of this Agreement and provided Employee seeks prior authorization for such expenses from the Council.
- 9.2 Courses and Seminars. City also agrees to pay for the cost of enrollment, tuition, fees, travel and subsistence expenses of Employee for short courses, institutes and seminars that are necessary for Employee's professional development and for the good of the City, subject to the terms set forth in Section 7 of this Agreement and provided that Employee seeks prior approval from the Council for such expenses.

Section 10. <u>Termination of Employment and Severance.</u>

- 10.1 Voluntary Resignation. Employee may resign at any time and agrees to give the City at least thirty (30) calendar days' advance written notice of the effective date of the Employee's resignation, unless the Parties otherwise agree in writing. If the Employee retires from full-time public service with the City, the Employee shall provide ninety (90) calendar days' advance written notice. The Employee's actual retirement date will be mutually established between the Parties. During the notice period, all rights and obligations of the Parties under this Agreement shall remain in full force and effect. Promptly after the effective date of resignation or retirement, the City shall pay to Employee all salary and benefit amounts accrued and owing under this Agreement.
- 10.2 Termination by City Council. City and Employee intend that the provisions of Section 10 of this Agreement shall control the process whereby Employee's employment may be terminated. Accordingly, the Parties hereby voluntarily waive the provisions of MC 2.08.130 relating to removal/dismissal of Employee and agree that the provisions of Section 10 of this Agreement shall govern termination of Employee's employment.

The City may, with or without cause, terminate this Agreement and Employee's employment with the City at any time. The removal of Employee as City Administrator shall be effected by a majority vote of the whole Council as then constituted, convened in a regular Council meeting. Employee shall be provided a written notice setting forth the reasons for such termination. City shall tender Employee all final wages due and owing as well as accrued and unused vacation and management leave through the termination date within a reasonable time, in accordance with standard City practice and this Agreement.

10.3 Termination Without Good Cause/Severance. If City terminates Employee's employment and this Agreement without good cause as defined in Paragraph 10.5 below. Employee shall no longer be entitled to accrue any pay, other compensation of any sort, or benefits after the date of termination. If City terminates Employee's employment and this Agreement without good cause, as defined in Paragraph 10.5 below, within the first year of Employee's employment as City Administrator, City shall pay severance to Employee in an amount equal to six (6) months of Employee's then current Base Salary. If City terminates Employee's employment and this Agreement without good cause, as defined in Paragraph 10.5 below, after Employee has been employed as City Administrator for one (1) year, City shall pay severance to Employee in an amount equal to nine (9) months of Employee's then current Base Salary. Severance under this Agreement shall be conditioned upon: 1) Employee's having been continuously actively employed from the Start Date through the date Employee's employment is terminated; and 2) Employee's execution of a general release of claims in favor of the City in a form acceptable to the City. Severance shall be paid at Council's discretion either in a single lump sum or in equal installments on regular City paydays over nine (9) months' time, or such other time frame as the Parties agree upon.

Any cash settlement related to the termination of this Agreement received by Employee from City shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of Employee's office or position while employed with City, pursuant to Government Code Section 53243.2. In the event City terminates this Agreement, Employee shall

be entitled to continued medical and dental benefits at Employee's cost pursuant to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act ("COBRA").

10.4 Termination for Good Cause. If Employee is terminated for good cause as defined in Paragraph 10.5 below, Employee shall not be entitled to any severance whatsoever and City shall have no obligation to Employee beyond payment of all wages, including accrued and unused vacation due and owing for all hours worked as of Employee's last day of employment and any other obligation which City may be required to provide under federal or state law.

In the event Employee is terminated by the City Council for misconduct which has been publicly disclosed and could stigmatize Employee's reputation or impair Employee's ability to earn a living, Employee may, within ten (10) calendar days, make a written request for a "name-clearing" hearing (as described in *Lubey v. City and County of San Francisco* (1979) 98 Cal.App.3d 340, and its progeny) before the City Council. Any such "name-clearing" hearing will be held solely to provide Employee an opportunity to clear Employee's name. The City Council shall use its sole discretion and its action shall be final and shall not depend upon any particular showing or degree of proof at the hearing; the purpose of which is solely to allow Employee to present Employee's grounds of opposition to the allegations in the notice of termination.

The City Council may determine whether the allegations in the notice of termination are supported. If the City Council determines that the allegations are not supported, a decision shall be issued to reflect that the Employee's termination was without fault. Such a decision, however, will not require that Employee be reinstated. The hearing shall take place at a regularly scheduled City Council meeting and held in accordance with the City's standard practice and any applicable provisions of state law. The decision whether to terminate the City Administrator shall be made by a majority vote of the whole City Council as then constituted in closed session and reported out of closed session as required by the California Government Code.

10.5 Good Cause - Defined.

"Good Cause," for purposes of this Agreement, means a fair and honest cause or reason for termination. These reasons include, but are not limited to:

- 1. Conviction of a felony;
- 2. Disclosing confidential information of City;
- Gross carelessness or misconduct;
- 4. Unjustifiable and willful neglect of the duties described in this Agreement;
- Mismanagement;
- 6. Failure to perform duties to the standard set by the City;

- 7. Any conduct which violates the City's Personnel Rules, or other City policies, rules, or regulations for which a City employee may be terminated;
- 8. Repeated and protracted unexcused absences from the City Administrator's office and duties;
- 9. Willful destruction or misuse of City property;
- 10. Conduct that in any way has a direct, substantial, and adverse effect on the City's reputation;
- 11. Willful violation of federal, state, or City discrimination laws;
- 12. Substance abuse which adversely affects the performance of Employee's duties as City Administrator and/or reporting to work while under the influence of alcohol or any drug (whether or not Employee has a valid prescription) which impairs, or has the potential to impair, Employee in the performance of Employee's duties;
- 13. Refusal to take or subscribe any oath or affirmation which is required by law;
- 14. Employee's disability that renders Employee unable to perform the essential functions of Employee's job, which the City is unable to reasonably accommodate without placing an undue burden on City business operations; or Employee's sickness, illness, injury, or mental or physical incapacity for a period exceeding Employee's unused vacation and sick leave or other legally protected time off;
- 15. Dishonesty;
- 16. Discourteous treatment of the public or other employees;
- 17. Death of Employee;
- 18. Engaging in other employment or activities which conflict with, or present the appearance or possibility of conflicting with, City's legitimate business interests; and
- 19. Failure to comply with any of Employee's obligations as set forth in this Agreement.

Notwithstanding any provision in this Agreement to the contrary, the City Council may place Employee on investigatory leave with or without pay at any time during the Term of this Agreement. However, pursuant to Government Code Section 53243, Employee shall fully reimburse City for any pay provided for that purpose if Employee is convicted of a crime involving an abuse of Employee's office or position.

Section 11. <u>Indemnification</u>. City shall defend, hold harmless and indemnify Employee against any tort, personnel, civil rights or professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as City Administrator in accordance with California's Tort Claims Act (Government Code section 825 et seq.), and shall provide a defense to Employee in accordance with Government Code sections 995 through 996.5. The City may decline to defend or indemnify Employee only as permitted by the Government Code. City may compromise and settle any such claim or suit and pay the amount of any resulting settlement or judgment; provided, however, that the City's duty to defend and indemnify shall be contingent upon Employee's good faith cooperation with such defense. In the event City provides funds for legal criminal defense pursuant to this Section, Employee shall reimburse City for such legal criminal defense funds if Employee is convicted of a crime involving an abuse of office or position, as provided by Government Code sections 53243 through 53243.4.

Section 12. Bonding. City shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

Section 13. Notices. Any notice or communication required hereunder between City and Employee must be in writing, and may be given either personally, by facsimile (with original forwarded by regular U.S. Mail), by registered or certified mail (return receipt requested), or by Federal Express, UPS, or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving Party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days' written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to City: City of Angels

ATTN: City Clerk P.O. Box 667

200 Monte Verde Street, Ste. B Angels Camp, California 95222

and White Brenner LLP

ATTN: Douglas L. White

1608 T Street

Sacramento, California 95811

If to Employee:

Pamela Caronongan

P.O. Box 667

200 Monte Verde Street, Ste. B Angels Camp, California 95222

w/cc: to home address on file with City Administrative Services

Section 14. General Provisions.

- **14.1 Modification of Agreement**. This Agreement may be supplemented, amended, or modified only by a writing signed by the City and Employee.
- 14.2 Entire Agreement. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the Parties and supersedes all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except those expressly set forth in this Agreement.
- 14.3 Severability of Agreement. If a court or an arbitrator of competent jurisdiction holds any Section of this Agreement to be illegal, unenforceable, or invalid for any reason, the validity and enforceability of the remaining sections of this Agreement shall not be affected.
- 14.4 Authority. All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states, or firms and that all former requirements necessary or required by the state or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.
- 14.5 Headings. The headings in this Agreement are included for convenience only and neither affect the construction or interpretation of any Section in this Agreement nor affect any of the rights or obligations of the Parties to this Agreement.
- 14.6 Necessary Acts and Further Assurances. The Parties shall, at their own cost and expense, execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.
- 14.7 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 14.8 Waiver. No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver

of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

- 14.9 Counterparts. This Agreement may be executed in counterparts and all so executed shall constitute one (1) agreement which shall be binding upon the Parties hereto, notwithstanding that the signatures of all Parties and Parties' designated representatives do not appear on the same page.
- **14.10** Venue. Venue for all legal proceedings shall be in the Superior Court of the State of California, in and for the County of Calaveras.
- 14.11 Attorney's Fees and Costs. If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret Sections of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

[Signature Page to Follow]

IN WITNESS WHEREOF, this Agreement has been entered into by and between Employee and City as of the date of the Agreement set forth above.

CITY:	EMPLOYEE:
City of Angels Camp, a California Municipal Corporation	Pamela Caronongan
By: Michael Chimente, Mayor	Pamela Caronongan
Date:	Date:
Approved as to Form and Content:	
By: Douglas White, City Attorney	
Date:	

Exhibit A City Administrator Job Description

Exhibit B City of Angels Exempt Employee MOU 2024-2027