

CITY OF CLEARLAKE
EMPLOYMENT SERVICES AGREEMENT

POLICE CHIEF

1. PARTIES AND DATE.

This Employment Services Agreement (hereinafter referred to as the "Agreement") is made and entered into January _____, 2023 ("Effective Date") by and between the City of Clearlake, a California municipal corporation (hereinafter referred to as "City") and Timothy Hobbs (hereinafter referred to as "Employee"). City and Employee are sometimes individually referred to herein as "Party" and collectively as "Parties".

2. RECITALS.

City desires to employ the services of Employee as Police Chief for the City of Clearlake and Employee desires to accept employment as Police Chief. It is the desire of the Parties through this Agreement to provide for certain benefits, establish conditions of employment and to set working conditions for Employee.

3. TERMS.

3.1 Term of Agreement. The initial term will be for three (3) years as of the Effective Date. City Manager shall provide three (3) months' notice prior to end of term City's desire whether to extend the term of the Agreement.

3.1.1 Term Extension(s). The Agreement will be extendable in two (2) year increments only upon mutual written agreement of both parties.

3.2 Termination of Agreement.

3.2.1 Notice. This Agreement may be terminated with or without cause at any time upon forty-five (45) days advance written notice given by Employee to City or immediately upon written notice by City to Employee. Notice of termination may be delivered personally or by mail. All notices permitted or required under this Agreement shall be given to the respective parties at the following address or at such other address as the respective parties may provide in writing for this purpose:

CITY: City of Clearlake
14050 Olympic Drive
Clearlake, CA 95422
ATTN: City Manager

EMPLOYEE: Timothy Hobbs
Address on File with City Clerk

3.2.2 Recourse. Employee will have no recourse or right to appeal City's decision to terminate Employee except as provided by applicable law.

3.2.3 Employee Resignation. Notwithstanding the above, Employee may voluntarily resign employment with the city by giving 45-days written notice in advance of the last day of employment. However, both parties may mutually agree to a shorter period. In the event of a voluntary resignation, Employee is not entitled to any other compensation except for normal compensation for the 45-day period, pro-rated, following the notice of resignation and the value of all accrued benefits unless otherwise agreed to by parties.

3.2.4 Definition of Cause. For purposes of this agreement, "cause" shall mean any of the following:

- i. Conviction of a felony
- ii. Conviction of a misdemeanor arising out of Employee's duties under this Agreement
- iii. Conviction of any crime involving an "Abuse of office or position" as that term is defined in Government Code section 53243.4
- iv. Willful abandonment of duties
- v. Repeated failure to carry out a directive or directives of the City Council or City Manager
- vi. Any grossly negligent action or inaction by Employee that materially and adversely:
 1. impedes or disrupts the operations of the City or its organizational units;
 2. is detrimental to employees or public safety;
 3. violates rules or procedures of City.

3.2.5 Suspension or Termination for Cause. In the event of suspension or termination with cause, Employee is not entitled to any other compensation except regular compensation, including any accrued vacation benefits, up to the suspension or termination date.

3.2.6 Suspension Without Cause. In the event of suspension without cause, Employee shall be entitled to receive normal compensation and benefits during the suspension period.

3.2.7 Severance-Termination Without Cause. If Employee is terminated without cause during such time as Employee is willing and able to perform the duties of the position, Employee shall be entitled to six months' severance which is to include base salary plus accrued vacation leave benefits and one month's health insurance. No other compensation or benefits shall be paid except as set forth in the Management Employees Classification and Benefit Plan (Management Benefit Plan).

In no event shall Employee ever receive more severance pay and benefits than the number of months then remaining on Employee's Agreement term.

In no event shall the above lump sum and health insurance payments exceed the amounts determined pursuant to Article 3.5 (commencing with Section 53260) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.

3.2.8 Confidentiality and Non-Disparagement. Given the at-will nature of the position of Police Chief, an important element of the employment agreement pertains to termination. It is in both the City's interest and that of Employee that any separation of the Police Chief is done in a businesslike manner.

Except as otherwise required by law, in the event the City terminates Employee with or without Cause, the City and Employee agree that no member of the City Council, the city management staff, nor Employee shall make any written, oral, or electronic statement to any member of the public, the press, or any City employee concerning Employee's termination except in the form of a joint press release or statement, which is mutually agreeable to City and Employee. The joint press release or statement shall not contain any text or information that is disparaging to either Party. Either Party may verbally repeat the substance of the joint press release or statement in response to any inquiry.

3.3 Duties.

3.3.1 Designated Duties. City hereby agrees to employ Employee as Police Chief to perform the functions and duties pertaining to the Police Chief position, and to perform other legally permissible duties and such functions as the City Manager shall from time to time assign. The City Manager shall have the authority to determine the specific duties and functions that Employee shall perform under the Agreement and the means and manner by which Employee shall perform those duties and functions. Employee agrees to devote all business time, skill, attention and best efforts to the discharge of the duties and functions assigned by the City Manager.

3.3.2 Control and Supervision. Employee shall serve at the will and pleasure of the City Manager.

3.3.3 Meetings. Employee shall attend all meetings as directed by the City Manager that are determined necessary for the business of the City, including City Council meetings.

3.3.4 Education. Employee shall complete the course work needed to receive a bachelor's degree during the three (3) year term of this agreement.

- A. Degree shall be relevant to the job duties of the Police Chief
- B. Employee shall receive 5% incentive pay for completion of bachelor's degree program pursuant to this section.
- C. Employee shall be eligible for the Safety Education Loan Forgiveness (SELF) Program:

The Safety Education Loan Forgiveness (SELF) Program would be established to provide a forgivable loan amount of up to a maximum \$10,000 for a program leading to a bachelor's degree. The City would pay an amount up to \$5,000 per fiscal year on behalf of the employee to the educational institution for tuition and related direct expenses as provided below:

A. In order to be eligible for the program, an employee must have been an employee of the City or a minimum of one year and completed field training. The course of study must be approved in advance, be relevant to the City, and be from a regionally accredited, degree-granting institution. The City Manager may approve a course of study from a nationally-accredited, degree-granting institution.

B. Employee will have up to a maximum of three years to successfully complete the program by obtaining their degree. The maximum loan amount is limited to \$5,000 per year, with a total of \$10,000 per employee within the four-year period.

C. If the employee (1) does not complete the program within the four years, (2) quits the program, or (3) leaves City service prior to completion of the program, repayment of all funds disbursed under the program would be due back to the City. The repayment would be required to be paid via a payroll deduction (presumably from paid leave cash-out). In the event of insufficient paid leave balances, employee would be permitted to spread the amount due back to the City in equal payments for up to one year, provided they are in City service during this time. If they leave City service during this repayment period, any balance remaining on the final date of employment would become immediately due.

D. Upon successful completion of the program, provided the employee remains in City service, the loan would be forgiven after the fifth year after the two-year program period. If an employee successfully completes the program, but leaves City service prior to this time, the loan would be required to be paid via a payroll deduction (presumably from paid leave cash-out) based on the following schedule:

- 100% repayment for leaving City service during the first two years after the initial two-year program period.
- 75% repayment for leaving City service during the third year after the initial two-year program period.
- 50% repayment for leaving City service during the fourth year after the initial two-year program period.
- 25% repayment for leaving City service during the fifth year after the initial two-year program period.
- 0% repayment for leaving City service after the fifth year after the initial two-year program period (loan forgiven).

3.4 Conditions of Employment.

3.4.1 Conflicts of Interest. During the term of the Agreement, Employee shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of Employee's duties under this agreement. The foregoing shall not preclude occasional teaching, writing, or consulting performed during Employee's time off.

3.4.2 Hours. The Police Chief is an exempt employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the position. Employee does not have set hours of work as Employee is expected to be available at all times.

It is recognized that Employee must devote a great deal of time to the business of the city outside of the city's customary office hours, and to that end Employee's schedule of work each day and week shall vary in accordance with the work required to be performed. Employee shall spend sufficient hours on site to perform Employee's duties; however, Employee has discretion over Employee's work schedule and work location.

3.5 Salary, Benefits, and Other Considerations. For services rendered pursuant to this Agreement, Employee shall receive the following compensation:

3.5.1 Salary. City shall compensate Employee at a rate \$12,984.40 per month beginning the first full pay period after execution of this agreement. Compensation shall be paid bi-weekly at the same time as other employees of City are paid and shall be subject to all applicable taxes, insurance and other required deductions. Any compensation changes occurring as a result of this agreement shall take effect at the next regular payroll following execution of this agreement.

A. Each year on or about the anniversary of this Agreement, the City Manager shall perform an annual review of performance of Employee. Review of base salary will be based upon performance as part of Agreement extension discussion. Future range adjustments will be at the discretion of the City Council.

B. City agrees to adjust Employee's annual salary by a cost-of-living adjustment on the same percentage amount and at the same time as cost-of-living adjustments are made to City's management salary ranges.

C. Employee will be eligible for 5% POST Executive Certificate Incentive Pay after two (2) years as Police Chief and completion of POST Executive Development Course. Employee is not eligible for other POST incentive pay.

D. City shall not at any time during the term of this agreement reduce the base salary, compensation or other financial benefits of Employee, unless as part of a general City management salary reduction, and then in no greater percentage than the average reduction of all City department heads or unless otherwise renegotiated.

E. Employee shall not receive longevity pay, pursuant to the Management Benefit Plan, during the term of this agreement.

3.5.2 Benefits. Employee will be eligible for benefits as provided to management employees as set forth in the Management Benefit Plan and any other documents that designate management benefits, except as otherwise noted in this Agreement.

A. Employee will be entitled to a Uniform Allowance consistent with the amount in the Clearlake Middle Management Association MOU for a Police Sergeant.

B. Employee shall be entitled to vacation accrual in accordance with Management Benefit Plan and Employee's current years of service, increased annually in accordance with the Plan.

C. Employee shall accrue sick leave at a rate of eight hours per calendar month of service in accordance with the Management Benefit Plan.

D. The Police Chief position is classified as "exempt" under the Fair Labor Standards Act and Employee shall not be entitled to the payment of overtime. Employee shall be entitled to executive leave of 80 hours per employment year with full pay. Hours shall be credited on January 1 of each year. Executive leave does not accumulate and is not earned vacation time or benefit. Executive leave days not used at the end of the calendar year are lost. Sell back of executive leave is per the Management Benefit Plan.

3.5.3 Other Considerations.

A. Employee's duties require that the Police Chief have the exclusive use of a City vehicle during the term of employment. City shall provide all attendant operating and maintenance expenses and required insurance. At the City Manager's discretion, if Employee will be out of the office for a period of time exceeding two weeks, the vehicle shall be returned to the City until Employee returns to duty.

B. The City will provide \$75 per month to offset use of Employee's personal cell phone for City business or City will provide a phone at Employee's option.

3.5.4 Dues, expenses, professional development.

A. The City Manager will budget sufficient funds to cover dues and subscriptions of the Police Chief necessary for continued and full participation in regional, state and local associations and organizations necessary and desirable for the full representation of the City's interests. The City shall also pay the Police Chief's dues for membership in the International Association of Chiefs of Police (IACP) and the CA Police Chiefs Association. The Police Chief may request to join other associations and organizations, and, if approved, the City shall pay such other dues and appropriate expenses.

B. City recognizes that certain expenses of a non-personal and generally job-related nature are incurred by the Employee in the performance of Employee's duties and responsibilities. City agrees to reimburse or to pay said general expenses

on receipt of duly executed expense or petty cash vouchers, receipts or statements, attached to a monthly request for reimbursement form.

C. City agrees to budget a sufficient amount of money to pay for the registration, travel and subsistence of Employee to adequately pursue necessary official functions for the City, short courses, institutions, seminars and other functions that are necessary for Employee's professional development and for the good of the city. These shall include, but not be limited to, the CA Police Chief's Association annual conference and the IACP Annual Conference (on a bi-annual basis pending City Manager approval and budget approval).

D. Any expenses of a purely personal nature while participating in any organization shall be borne by Employee. Employee agrees to obtain prior approval for expenses unless specifically provided in the annual budget.

3.6 Indemnification.

City shall defend, save harmless and indemnify Employee against any negligent tort, professional liability, claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged negligent act or omission occurring in the performance of Employee's services as Police Chief, except that this provision shall not apply with respect to any intentional tort or crime committed by Employee, or any actions outside the course and scope of employment.

3.7 Entire Agreement.

This Agreement constitutes the entire agreement between the parties. This Agreement may be amended if in writing and signed by both Parties. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver shall be binding, unless executed in writing by the party making the waiver. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

3.8 Governing Law; Venue.

This Agreement shall be construed under and governed by the laws of the State of California, and venue shall be in Lake County, California.

IN WITNESS WHEREOF, City and Employee have signed and executed this Agreement as of the Effective Date first above written.

CITY OF CLEARLAKE

EMPLOYEE

By: _____
Alan Flora, City Manager

By: _____
Timothy Hobbs

ATTEST:

By: _____
Melissa Swanson, City Clerk