



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

DATE: December 16, 2025
TO: Honorable Mayor and City Council
FROM: Alex Lorca, City Attorney
SUBJECT: City Manager Employment Agreement Amendment
CEQA: This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

That the City Council approve Amendment No.2 to the City Manager's Employment Agreement.

Background and Discussion

The City entered into an Employment Agreement with City Manager John Guertin in July 2021, a copy of which is attached.

An "Amendment No. 1" to the City Manager's Employment Agreement was entered into between the City and the City Manager in September 2022, a copy of which is attached. Amendment No. 1 increased the City Manager's salary and extended the term of the Employment Agreement.

Amendment No. 2, attached, was recently discussed with the City Manager and the City Council. Amendment No. 2 modifies the City Manager Employment Agreement with respect to term, termination, salary, vacation/sick/leave benefits, and communications.

Attachments

- City Manager Employment Agreement
- Amendment No. 1
- Draft Amendment No. 2

Respectfully submitted,

Alex Lorca,
City Attorney

**AMENDMENT NO. 2 TO THE CITY MANAGER EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF DEL REY OAKS AND JOHN GUERTIN**

This Amendment No. 2 to the City Manager Employment Agreement entered into July 27, 2021, between the City of Del Rey Oaks and John Guertin (Employment Agreement) is made and entered into effective August 10, 2025, by and between the City of Del Rey Oaks (City) and John Guertin (City Manager).

RECITALS

WHEREAS, on July 27, 2021, the City and the City Manager entered into the Employment Agreement to provide City Manager services to the City; and

WHEREAS, City and City Manager executed Amendment No. 1 to the Employment Agreement effective August 27, 2022, to continue to provide City Manager services to the City; and

WHEREAS, the term of the Employment Agreement is set to continue until August 10, 2026; and

WHEREAS, on the basis of the annual performance evaluation, the City Council desires to assure the continuous service of John Guertin in such official capacity as provided for in the Municipal Code by amending the term and certain salary and other benefits of his employment.

AGREEMENT

NOW, THEREFORE, be it resolved that the Sections of the Employment Agreement identified below are hereby amended in full to read as follows:

1. **Section 2.2 Term** is amended and replaced to provide as follows:

“The City Manager’s employment shall commence on August 10, 2021 (the “Effective Date”) and shall continue through August 10, 2029, or until terminated by one or both of the Parties (“Term”), as outlined in Section 5 of this Agreement.

2. **Section 2.3. City Manager Duties, D** is deleted in its entirety.

3. Section 3.1.1 is added and shall read as follows:

Yearly Adjustment. The City Manager’s salary shall be increased by three per cent (3%) per year.

4. **Section 3.3 Vacation Leave** is amended and replaced to provide as follows:

“City Manager shall accrue vacation leave at the rate of thirty (30) paid days each year, in

addition to recognized City holidays. During the Term of this Agreement Employee may accumulate vacation leave up to a maximum “cap” of sixty (60) days. At any time during the Term of this Agreement Employee shall be entitled to cash out accrued but unused vacation days, provided that at least ten (10) accrued but unused vacation leave days remain available. The amount paid Employee shall be based on Employee’s annual Base Salary at the time the vacation leave is paid. Upon termination or resignation from employment or the non-renewal of this Agreement, Employee shall be paid for all accrued and unused vacation time at the Employee’s rate of pay at termination or resignation.”

5. **Section 3.4 Sick Leave** is amended and replaced to provide as follows:

“Employee shall accrue sick leave at a rate of 3.69 hours for every biweekly pay period, up to 96 hours or 12 workdays per year. During the Term of this Agreement there is no limit to the amount of sick leave Employee may accrue. In the event of termination or resignation from employment or the non-renewal of this Agreement, Employee shall be entitled to compensation of fifty percent (50%) of his accrued but unused sick leave. Alternatively, Employee may convert the equivalent amount of sick leave to retirement credit in accordance with PERS rules and regulations.”

6. **Section 3.5. Administrative Leave** is amended and replaced to provide as follows:

“Employee shall be credited with 80 hours of administrative leave at hire. Employee shall be granted 100 hours of administrative leave on July 1, 2025, and every year after. Administrative Leave shall not accrue or roll over from year to year and shall have no cash value and may not be cashed out during or at the end of Employee’s tenure with the City.”

7. **Section 5.2. Termination by the Council** is amended and replaced to provide as follows:

“The Council may terminate this Agreement and remove Employee from his position as the City Manager at any time with or without cause by a three-fifths (3/5) vote of the entire Council. When without cause, termination shall be at a regular council meeting, with written notice provided to Employee. Upon termination, for any reason, the City shall compensate Employee for all accrued vacation leave, consistent with the limitations noted herein. This compensation shall be based upon Employee’s salary as of the date of his termination.”

8. **Section 5.3. Termination Without Good Cause** is amended and replaced to provide as follows:

“If the City terminates this Agreement (thereby terminating Employee’s employment) without cause, as determined by the affirmative votes of a majority of the members of the City Council at a regular meeting of the City Council, and if Employee signs, delivers to the City Council, and does not revoke, the General Release Agreement (“Release Agreement”) attached hereto as **Exhibit C**, City shall pay Employee twelve (12) month’s current salary as a lump sum payment. Additionally, City shall provide six (6) months of health (medical, dental, and vision) benefits continuing under the benefit plans in which Employee and his dependents are then enrolled (the cash payment and continuing benefits, collectively

“Severance”). This Severance is subject to the restrictions of Government Code section 53260, which sets out the maximum amount of Severance pay that Employee may receive. Any cash settlement related to the termination of this Agreement received by Employee from the City shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of his office or position while employed with the City pursuant to Government Code section 53243.2. This Severance shall be paid in the same manner as other employees, unless otherwise agreed to by the City and Employee.”

9. **Section 5.5. Written Notice** is added to provide as follows:

“The City Council agrees that, prior to termination of Employee for performance-based reasons, the Council will provide Employee a written notice of as much. Employee shall have at least thirty (30) days in which to “cure” the issues raised in the written notice received from the Council. Determination of whether Employee has satisfactorily “cured,” and whether termination is still warranted, shall be at the discretion of the City Council.”

10. **Section 5.6. Termination Before/After Election** is added to provide as follows:

“In no event may Employee be terminated without cause within ninety (90) days before or after any municipal election for the selection or recall of one or more of the members of the City Council.”

11. **Section 5.7. Communications Upon Employee’s Separation** is added to provide as follows:

“In the event the City terminates the City Manager for any reason or no reason, the City and Employee agree that no member of the City Council, the City Management staff, nor the Employee, shall make any written, oral or electronic statement to any member of the public, the press, or any city employee concerning the Employee’s termination except in the form of a joint press release or statement, the content of which is mutually agreeable to the 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.”

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:

Del Rey Oaks, a General Law City
in the State of California

EMPLOYEE:

By: _____
Scott Donaldson, Mayor

By: _____
John Guertin, an individual

Date Signed: _____

Date Signed: _____

Approved as to Form:

By: _____
Alex J. Lorca, City Attorney

**AMENDMENT NO. 1 TO THE CITY MANAGER EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF DEL REY OAKS AND JOHN GUERTIN**

This Amendment No. 1 to the City Manager Employment Agreement entered into July 27, 2021 between the City of Del Rey Oaks and John Guertin (Employment Agreement) is made and entered into this 1st day of September 2022, by and between the City of Del Rey Oaks (City) and John Guertin (City Manager).

RECITALS

WHEREAS, on July 27, 2021, the City and the City Manager entered into the Employment Agreement; and

WHEREAS, the City of Del Rey Oaks City Council evaluated the City Manager's performance at its August 23, 2022 meeting; and

WHEREAS, the City Council wishes to extend the term of the Employment Agreement by two years; and

WHEREAS, the City Council wishes to increase the City Manager's annual salary by ten percent (10%); and

WHEREAS, the City Council directed the Mayor to execute this Amendment No. 1 on the City's behalf.

AGREEMENT

NOW THEREFORE, be it resolved the Employment Agreement is hereby amended as follows:

1. Section 2.2 is amended to read:
 "Section 2.2 Term. The term of this Agreement shall commence on August 10, 2021 (the "Effective Date") and shall continue until August 10, 2026, or until terminated by one or both of the Parties ("Term"), as outlined in Section 5 of this Agreement."
2. Effective with the August 27, 2022 pay period, the City Manager's Base Salary shall be One Hundred Ninety-Two Thousand Five Hundred Dollars (\$192,500) per year.
3. All other provisions of the Employment Agreement and this Amendment No. 1 to the Employment Agreement shall remain unchanged, and remain in full force and effect.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties have signed this Amendment No. 1 on the dates stated below.

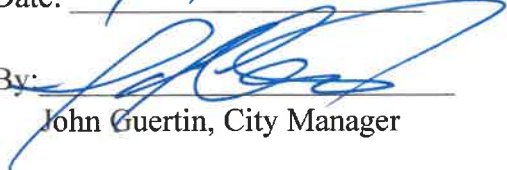
CITY OF DEL REY OAKS

CITY MANAGER

Date: _____

Date: 9-1-02

By: _____
Alison Kerr, Mayor

By: 
John Guertin, City Manager

Approved As To Form:

Date: _____

By: _____
Alex J. Lorca, City Attorney

**EMPLOYMENT AGREEMENT
CITY OF DEL REY OAKS
CITY MANAGER**

THIS EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this 27th day of July, 2021 (“Effective Date”), by and between the City of Del Rey Oaks, a California General Law City (“City”) and John Guertin (“Employee”), an individual. The City and Employee may individually be referred to herein as “Party” or collectively as “Parties.”

RECITALS

A. This Agreement is entered into pursuant to the City’s decision to hire John Guertin as the City Manager of the City of Del Rey Oaks on June 16, 2021, to be the administrative head of the City’s operations under the direction and control of the City Council (“Council”).

AGREEMENT

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:

Section 1. Recitals. The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made a part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 10 of this Agreement, Sections 1 through 10 shall prevail.

Section 2. Appointment of City Manager, Duties and Term

Section 2.1 Appointment of City Manager. Employee is hereby appointed to the position of City Manager, in and for the City, to perform the functions and duties of the City Manager as specified in this Agreement. Employee accepts such appointment and employment pursuant to the terms of this Agreement.

Section 2.2 Term. The term of this Agreement shall commence on August 10, 2021 (the “Effective Date”) and shall continue until August 10, 2024, or until terminated by one or both of the Parties (“Term”), as outlined in Section 5 of this Agreement.

Section 2.3. City Manager Duties. For the Term, Employee shall perform the functions of the City Manager position as specified in Chapter 2.08 of the Del Rey Oaks Municipal Code, the terms of this Agreement, the City’s Manager job description, last ratified May of 2020 (attached hereto as **Exhibit A**), and as directed from time to time by Council including, without limitation, as provided in Employee’s performance evaluations. Employee’s duties, responsibilities, and limitations as City Manager include, but are not limited to:

A. Under direction of the Council, Employee shall be in charge of the administration,

personnel, and general affairs of the City. Employee shall represent the Council's policies and programs with other employees, community organizations, and the general public. Employee shall report to the Council as needed, including at regular and special meetings, work with other employees of the City, including preparation of contracts, review of budget requests, and to make those recommendations reasonably necessary to run the City.

B. Employee shall conduct the business of the City and report to the Council at regular or other meetings noticed by the City.

C. Employee shall become fully aware and knowledgeable of the requirements of the applicable job duties of the City Manager. Employee acknowledges receipt of a copy of the job description for City Manager for the City of Del Rey Oaks attached as Exhibit A. Employee represents to have the time, skill, and background in order to properly effectuate those job duties.

D. Employee shall perform said duties at City Hall, and not remotely.

Section 2.4 No Secondary Employment. The City Manager position is full time; Employee agrees to devote all of his productive time, ability, and attention to the City's business. During the Term of this Agreement, Employee shall not hold secondary employment, and shall be employed exclusively by the City, subject to any exceptions approved in writing by the Council. Provided, however, that Employee has the right to volunteer for such nonprofit organizations as he may see fit, and further provided that such volunteer services shall not interfere with his duties as City Manager.

Section 2.5 Exempt Position. The position of City Manager is an exempt position for purposes of the Fair Labor Standards Act of 1938 (29 U.S.C. § 201 et seq.). The general business hours for City employees are Monday through Friday, 8:00 a.m. to 5:00 p.m. This full-time employment will typically average forty (40) hours of work per week. Employee's typical working hours will be during regular business hours, plus evening hours as needed to attend Council meetings and other City business. However, it is recognized by the Parties that Employee's hours may exceed forty (40) hours of work per week. As such, Employee shall not receive overtime or extra compensation for hours worked outside of general business hours, which are necessary to fulfill the duties of the City Manager position.

Section 2.6 At-Will Employment. Employee is an "at-will" employee serving at the pleasure of the Council. Accordingly, the Council may terminate Employee's employment at any time, with or without cause, by a three-fifths (3/5) vote of the Council.

Section 2.7 No Property Right in Employment. Employee understands and agrees that the terms of his employment are governed only by this Agreement and that no right of employment for any specific term is created by this Agreement. Employee further understands that based on his "at will" employment status, he acquires no property interest in his employment by virtue of this Agreement, and that he is not entitled to an administrative hearing or other due process for any disciplinary actions, including termination, by the City.

Section 2.8 No Membership in Bargaining Unit. Employee understands that he is not a

member of any bargaining unit and is not covered by the terms of any Memorandum of Understanding with any represented or unrepresented group of City employees.

Section 3. Compensation.

Section 3.1 Base Salary. Employee shall be paid at a rate of One Hundred Seventy-Five Thousand Dollars (\$175,000.00) (“Base Salary”) per year. Payments will be made on regularly scheduled payroll dates and shall be subject to all applicable payroll withholdings. Such compensation shall be the only compensation the City pays, and the Employee receives, for Employee’s services under this Agreement. City Manager’s Base Salary adjustments approved by Council from time to time pursuant to this Agreement shall not require an amendment to this Agreement to be effective. Such may be set forth in an annual salary resolution or minute action approved by the Council and ratified by resolution.

Section 3.2 Employee Benefits. During the Term of this Agreement, the City agrees to provide such benefits as shown in **Exhibit B**, which is attached hereto and incorporated herein by this reference.

Section 3.3 Vacation Leave. Employee shall accrue vacation leave at a rate of 3.08 hours per biweekly pay period, or up to a maximum of 80 hours per year, as described in Exhibit B Employee Benefits. In the event that available vacation is not used during the year in which it was received, Employee may carry unused paid vacation time forward to the next year. However, if the total amount of unused vacation time reaches a “cap” of 125 hours, further vacation will not be provided until Employee uses paid vacation time and brings the available amount below the cap.

Upon termination of employment, Employee will be paid for unused vacation time that has been earned through the last day of work at the Employee’s rate of pay at termination, up to a maximum of 125 hours of vacation pay.

Section 3.4 Sick Leave. Employee shall accrue sick leave at a rate of 3.69 hours for every biweekly pay period, up to 96 hours or 12 workdays per year, as described in Exhibit B Employee Benefits. If Employee does not use all twelve (12) days of paid sick leave in a calendar year, the unused hours will not carry over to the following year. Unused paid sick leave benefits will not be paid to Employee upon separation of employment.

Section 3.5. Administrative Leave. Employee shall be credited with 80 hours of administrative leave at hire. Thereafter, Employee shall be granted 80 hours of administrative leave on the effective date and every year after, as described in Exhibit B Employee Benefits. Administrative Leave shall not accrue or roll over from year to year and shall have no cash value and may not be cashed out during or at the end of Employee’s tenure with the City. Administrative leave of more than three (3) days shall be communicated in writing to Council before being taken.

Section 3.6. Holidays. Employee shall be entitled to observe, with pay, the thirteen (13) observed holidays as described in Exhibit B Employee Benefits.

Section 3.7. Vehicle. City Manager's duties require him to be available and to respond to he demands of City business at all times and outside of regular business hours, including weekends. The City shall provide the City Manager with an automobile allowance of four hundred and fifty dollars (\$450) per month. This allowance is intended, in part, to reimburse City Manager for travel within forty (40) miles of the City. All other travel shall be reimbursed at Internal Revenue Service mileage rates.

Section 3.8. Equipment. City Manager will use a cell phone provided by the City, with monthly cellular fees paid by the City. City shall not pay for the purchase, installation, and maintenance of compatible computer equipment (hardware, software and internet access) for City Manager at his residence. City will provide a City-owned laptop computer to City Manager.

Section 3.9 Deferred Compensation. City agrees to provide a Section 457 deferred compensation program which will be administered by CalPERS, but shall make no payment into such program for City Manager's benefit.

Section 3.10 Business and Professional Expenses. The City recognizes that City Manager may incur expenses of a non-personal, job-related nature that are reasonably necessary to City Manager's service to City. City shall furnish the City Manager with a City credit card in order to pay such expenses. City Manager shall present monthly statements to the City for payment. All charges must be supported by documentation meeting City's normal requirements. City agrees to pay the professional dues and subscriptions on behalf of City Manager which are necessary for City Manager's continuation or full participation in international, national, regional, state, or local associations and organizations necessary and desirable for City Managers continued professional participation, growth and advancement, or for the good of the City, in an amount not to exceed Three Thousand Five Hundred Dollars (\$3,500.00) per year.

Section 3.11 Bereavement Leave. City Manager shall be entitled to three (3) days bereavement leave. Bereavement Leave shall not accrue or roll over from year to year and shall have no cash value and may not be cashed out during or at the end of City Manager's tenure with the City.

Section 4. Performance Evaluation. For the first year of this Agreement, performance evaluations shall be conducted by the City Council following the end of the third (3rd), sixth (6th), and twelfth (12th) month following the Effective Date of this Agreement. After the first year of this Agreement, performance evaluation, shall be conducted annually by the Council in August of each year. The process, at a minimum, shall include the opportunity for both Parties to: (A) prepare a written evaluation, (B) meet and discuss the evaluation, and (C) present a written summary of the evaluation results.

Section 5. Termination of Employment and Severance.

Section 5.1. Voluntary Resignation. Employee may resign at any time and agrees to give the City at least sixty (60) days advance written notice of the effective date of Employee's resignation unless the Parties otherwise agree in writing. If Employee retires from full time public service with the City, Employee shall provide at least three (3) months advance written notice. 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, the City shall pay to Employee all salary and benefit amounts both accrued and owing under this Agreement. In the event of voluntary resignation, Employee shall not be entitled to Severance as set forth in Section 5.3 of this Agreement.

Section 5.2. Termination by the Council. The Council may terminate this Agreement and remove Employee from his position as the City Manager at any time with or without cause by a three-fifths (3/5) vote of the entire Council. Upon termination, for any reason, the City shall compensate Employee for all accrued vacation leave, consistent with the limitations noted herein. This compensation shall be based upon Employee's salary as of the date of his termination.

Section 5.3. Termination Without Good Cause. If the City terminates this Agreement (thereby terminating Employee's employment) without cause, as determined by the affirmative votes of a majority of the members of the City Council at a regular or special meeting of the City Council, and if Employee signs, delivers to the City Council, and does not revoke, the General Release Agreement ("Release Agreement") attached hereto as **Exhibit C**, City shall pay Employee three (3) month's salary as a lump sum payment ("Severance"). This potential Severance is subject to the restrictions of Government Code section 53260, which sets out the maximum amount of Severance pay that Employee may receive. Any cash settlement related to the termination of this Agreement received by Employee from the City shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of his office or position while employed with the City pursuant to Government Code section 53243.2. This Severance shall be paid in the same manner as other employees, unless otherwise agreed to by the City and Employee. In the event the City terminates this Agreement, Employee shall be entitled to continued medical and dental benefits at his cost pursuant to the provisions of the federal Consolidated Omnibus Budget Reconciliation Act.

Section 5.4. Termination For Good Cause. The City may, at any time, immediately terminate this Agreement for Good Cause as defined in this Section 5.4. If Employee is terminated for Good Cause, the City shall not be required to pay any Severance under this Agreement, and the City shall have no obligation to Employee beyond those benefits accrued as of Employee's last day of employment and those the City is obligated to provide under federal or state law.

"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 the City;
3. Gross carelessness or misconduct;
4. Unjustifiable and willful neglect of the duties described in this Agreement;
5. Mismanagement;
6. Nonperformance of duties;
7. Any conduct which violates the City's Personnel Rules and for which a City employee may be terminated;

8. Repeated and protracted unexcused absences from City Manager'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. Continued substance abuse which adversely affects performance of Employee's duties as City Manager;
13. Refusal to take or subscribe any oath or affirmation which is required by law;
14. Permanent disability that renders Employee unable to perform the essential functions of his job with or without reasonable accommodation which places an undue burden on the City or Employee becoming otherwise unable to perform the duties of City Manager, by reason of sickness, accident, illness, injury, mental incapacity or health, for a period of six (6) weeks following the exhaustion of all available leave balances and any applicable Family Medical Leave Act or California Medical Leave Act leaves, or where the same occurs for forty (40) working days over a sixty (60) working day period following exhaustion of such leaves;
15. Dishonesty;
16. Engaging in other employment or activities which conflict with, or present the appearance or possibility of conflicting with, the City's legitimate business interests; or
17. Continuous or repeated failure or refusal to perform Employee's duties to the standards set by the City.
18. Commission of an act of moral turpitude.

Notwithstanding any provision in this Agreement to the contrary, the Council may suspend Employee with full pay and benefits at any time during the Term of this Agreement.

Section 6. Abuse of Office or Position. For the purpose of this Agreement, "abuse of office or position" shall be defined as in California Government Code Section 53243.4. Notwithstanding any other provision in this Agreement and in accordance with California Government Sections 3511.1, 3511.2, 53243.1, and 53243.2, the following limitations apply to the City's obligations to Employee:

- i) In the event Employee is placed on paid leave pending an investigation, he shall

reimburse the City if he is subsequently convicted of a crime that constitutes an “abuse of office or position.”

- ii) In the event City pays for Employee’s legal criminal defense, he shall fully reimburse such funds to the City if he is subsequently convicted of a crime that constitutes an “abuse of office or position.”
- iii) If this Agreement is terminated, any cash settlement related to the termination Employee may receive from City must be fully reimbursed to City if Employee is subsequently convicted of a crime that constitutes an “abuse of office or position.”

Section 7. Indemnification. The 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 Manager in accordance with California’s Tort Claims Act (Government Code § 825 *et seq.*), and shall provide a defense to Employee in accordance with Government Code sections 995-996.5. The City may decline to defend or indemnify Employee only as permitted by the Government Code. The 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 the City provides funds for legal criminal defense pursuant to this Section, Employee shall reimburse the 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 53243-53243.4.

The provisions of Section 5.4 and this Section 6, however, shall prevail over this Section 7 should any conflict arise.

Section 8. Notices. Any notice or communication required hereunder between the 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 or communication 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 (i) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (ii) 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 the City: City of Del Rey Oaks
650 Canyon Del Rey Road
Del Rey Oaks, CA 93940

If to Employee: John Guertin
c/o the City
With CC to Employee's mailing address on file with City

Section 9. Exhibits. All "Exhibits" referred to below or attached to herein are, by this reference, incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
Exhibit A	Job Description
Exhibit B	Employee Benefits
Exhibit C	General Release Agreement

Section 10. General Provisions.

Section 10.1 Modification. No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties to this Agreement.

Section 10.2 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.

Section 10.3 Assignment. No Party to this Agreement shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties hereto.

Section 10.4 Authority. All Parties to this Agreement warrant and represent 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 are correct.

Section 10.5 Drafting and Ambiguities. Each Party acknowledges that it has reviewed this Agreement with its own legal counsel and, based upon the advice of that counsel, freely entered into this Agreement. Each Party has participated fully in the review and revision of this Agreement. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

Section 10.6 Governing Law. This Agreement shall be governed by and construed in

accordance with the laws of the state of California.

Section 10.7 Venue. Venue for all legal proceedings shall be in the Superior Court of California for Monterey County.

Section 10.8 Severability. If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

Section 10.9 Counterparts. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

Section 10.10 Entire Agreement. This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

Section 10.11 Agreement Supersedes Provision in Municipal Code. It is intended that the provisions of this Agreement relating to employment or termination shall be the exclusive procedure used by the Parties, and is intended to supersede any inconsistent provisions of the City's Municipal Code

Section 10.12 Mandatory and Permissive. "Shall" and "will" and "agrees" are mandatory. "May" and "can" are permissive.

Section 10.13 Successors and Assigns. All representations, covenants, and warranties specifically set forth in this Agreement by or on behalf of, or for the benefit of, any or all of the Parties hereto, shall be binding upon, and inure to the benefit of, such Party, its successors and assigns.

Section 10.14 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.

Section 10.15 Attorney's Fees and Costs. If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions 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.

Section 10.16 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.

Section 10.17 Time is of the Essence. Time is of the essence in this Agreement for each covenant and term of a condition herein.

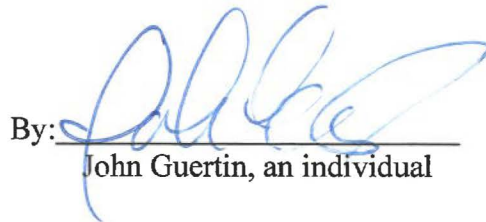
IN WITNESS WHEREOF, this Agreement has been entered into by and between Employee and City as of the date of the Agreement set forth above.

CITY:

Del Rey Oaks, a General Law City
in the State of California

By:  _____
Alison Kerr, Mayor

EMPLOYEE:

By:  _____
John Guertin, an individual

Date Signed: 7-29-2021

Date Signed: 7-29-21

Approved as to Form:

By:  _____
Alex J. Lorca, City Attorney

EXHIBIT A

Job Description

The City of Del Rey Oaks City Manager serves as the chief executive officer of the city with responsibility for planning, administering, directing, overseeing, and evaluating the organization's activities, projects, and operations. With broad policy direction and guidelines from the City Council, the City Manager provides direct and indirect supervision to departmental heads and staff assigned to the City Manager's office in order to ensure public services are maintained and delivered efficiently and effectively in accordance with the Municipal Code and City Council directives. The City Manager must have a strong financial background enabling them to confidently manage the City's budget process.

Under policy guidelines, the City Manager directs and oversees the activities and operations of the City, including comprehensive programs for the City's long-range growth and economic development; provides overall leadership and direction to all municipal departments; provides administrative support to the City Council, and performs related duties as assigned and as specified in the Municipal Code.

The City Manager will be charged with ensuring an engaged and well-informed community, while working closely with the City Council. In addition to overseeing existing City services and programs aimed at enhancing the City's quality of life for its residents, the City Manager will be faced with opportunities and challenges related to meeting the State's affordable housing requirements and managing long-term capital improvement program priorities and projects. The City Manager will foster cross-disciplinary teamwork and promote new ideas to solve challenging problems including water issues, land use, economic viability, affordable housing, reuse of Federal Land, environmental protection, climate action, and social issues.

Qualifications:

Any combination of education and/or experience that provides the knowledge, skills, and abilities necessary for acceptable job performance. An example of combinations include:

Education/Training: A Bachelor's degree from an accredited college or university with major course work in public administration, business administration, or a related field. A Master's degree in a related field is desirable.

Experience: Eight years of progressively responsible management, administrative, staff, or related experience including five years of experience as a department director, Assistant City Manager, and/or City Manager.

Knowledge, Skills, and Abilities:

The City Manager is a creative, forward-thinking, local government manager with exceptional communication and leadership skills.

Innovative. The Del Rey Oaks City Manager works with the Council to prioritize goals while managing day-to-day operations to ensure the future success of the community by implementing the City’s Strategic Plan.

Communicator. The Del Rey Oaks City Manager is an effective listener and communicator, at ease speaking with varied audiences, building consensus between City staff, City Council, other elected officials, and members of the community; and provides transparency in decision-making and achieving strategic goals.

Focused. The Del Rey Oaks City Manager is fully committed to Del Rey Oaks and is capable of prioritizing initiatives and projects, identifying resources needed, and being a strong leader who can balance conflicting interests and priorities, be responsive to dynamic community needs, and keep focused on the long-term strategic objectives.

Financial Manager. The Del Rey Oaks City Manager ensures the city continues to be fiscally, socially, and environmentally sustainable. The ideal candidate is fiscally prudent, recognizes the importance of long-term planning, and is able to articulate the options for varying levels of service and their cost implications in a transparent manner.

Staff Leader. The Del Rey Oaks City Manager is a community-focused leader with confidence, compassion, and emotional intelligence. The City Manager is expected to be a fair, empathetic, facilitative leader, and empowers a highly capable staff with clear expectations for success. The City Manager is the liaison between Council and staff and helps to clarify roles and responsibilities to effectively meet community needs.

Collaborative. The Del Rey Oaks City Manager has demonstrated success in working well with others, building relationships, and collaborating with government, private, nonprofit, community, and other partners to achieve community goals.

Culturally Competent. City Manager understands Del Rey Oaks’ unique culture and has experience working with diverse groups and engaging with a culturally and economically diverse population.

EXHIBIT B

Employee Benefits

CalPERS Retirement (Classic 2%@60; PEPRA 2%@62).

Fully paid Health Insurance for employee and dependents.

Fully paid Dental, Vision & EAP for employee and dependents.

Wellness Program - reimbursable up to \$500.00 a year.

Automobile allowance - \$450 per month.

Business and Professional expenses - \$3,500 per year.

Equipment – Cell phone and plan; City-owned laptop.

Deferred compensation – Available 457 plan, without City payment.

Vacation –Accrual of 80 hours per year at a rate of 3.08 hours per pay period. Vacation “cap” of 125 hours.

Administrative Leave – Credit of 80 hours at the time of hire. Thereafter, credit of 80 hours each year. Hours shall not carry over to the next year, and are not compensable to employee upon separation of employment.

Sick Leave – Accrue 96 hours per year at a rate of 3.69 hours per pay period. Hours shall not carry over to the next year, and are not compensable to employee upon separation of employment.

Bereavement Leave – 3 days per years. Hours shall not carry over to the next year, and are not compensable to employee upon separation of employment.

Holidays - 13 days per year: New Year’s Day, Martin Luther King Jr. Day, Presidents Day, Cesar Chavez Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veteran’s Day, Thanksgiving, and the day after, Christmas Eve, Christmas Day.

EXHIBIT C

GENERAL RELEASE AGREEMENT

This General Release Agreement ("Release Agreement") is entered into by and between _____ ("City Manager") and CITY OF _____ ("City"), in light of the following facts:

1. City Manager's employment with City concluded on _____.
2. Certain disputes have arisen between City and City Manager.
3. City and City Manager each deny any liability whatsoever to the other.
4. City and City Manager wish to resolve fully and finally any and all disputes they may have with each other.
5. City Manager is hereby informed he has fourteen (14) days from receipt of this Agreement to review it. City hereby advises City Manager to consult with his legal counsel before signing this Release Agreement.
6. City Manager acknowledges that for a period of seven (7) days following the signing of this Release Agreement ("Revocation Period"), he may revoke the Release Agreement. This Release Agreement shall not become effective or enforceable until the day the Revocation Period has expired.
7. City Manager acknowledges the Salary referenced in Section 3 of his Employment Agreement represents all compensation, including salary, accrued benefit balances and reimbursed expenses, due and payable to him through the date of employment termination. City Manager also acknowledges that City has made this Salary without regard to whether he signs this Agreement. The Salary does not constitute consideration for this Release Agreement.
8. Receipt of Salary. City Manager hereby acknowledges receipt of a check or checks for all compensation owing to him, including salary, accrued benefit balances and reimbursed expenses ("Salary Payment") from City.
9. Severance. Within five (5) days following City Manager's signing, delivering to the City, and not revoking this Release Agreement, City shall pay City Manager the gross amount provided for in Section 5.3 of the Employment Agreement, less applicable deductions. City Manager acknowledges that the Severance is in excess of all amounts due and owing him as a result of his employment by City.

10. General Release. In consideration of the Severance to be paid and provided to City Manager, and other good and valuable consideration, City Manager hereby releases and discharges City and its past and present City Council members, employees, representatives and agents, from all rights, claims, causes of action, and damages, both known and unknown, in law or in equity, concerning and/or arising out of his employment by City which he/she now has, or ever had, including but not limited to any rights, claims, causes of action or damages arising under Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Employee Retirement Income Security Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefits Protection Act, the Family and Medical Leave Act of 1993, the Domestic Partners Act of 2003, the California Labor Code, the Private Attorneys General Act of 2004, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, and any other federal, state, or local employment practice legislation, or any federal or state common law, including wrongful discharge, breach of express or implied contract, or breach of public policy.

11. Section 1542 Waiver. City Manager hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. City Manager understands and acknowledges the significance and consequences of this specific waiver of Section 1542. Section 1542 of the Civil Code of California states as follows:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of City and its past and present City Council Members, employees, representatives and agents, City Manager expressly acknowledges that this Release Agreement is intended to include in its effect, without limitation, all claims which he does not know or suspect to exist in his favor.

City Manager further acknowledges that he has read this Release Agreement and he understands that this is a general release, and that he intends to be legally bound by the same.

12. Fees and Costs. City Manager and City agree that in the event of litigation relating to this Release Agreement, the prevailing party shall be entitled to recover his/its reasonable attorneys' fees and costs.

Dated: _____

Alison Kerr, Mayor
CITY OF DEL REY OAKS

Dated: _____

John Guertin

Approved as to Form:

Date: _____

Alex J. Lorca,
City Attorney