

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT  
BETWEEN THE CITY OF GRASS VALLEY  
AND ALEX GAMMELGARD  
Police Chief**

**RECITALS**

**WHEREAS**, the City of Grass Valley (hereafter, the “City”) and Alex Gammelgard (hereafter, “Police Chief” or “Employee”) entered into an employment agreement on December 18, 2018 for services as Police Chief (the “2018 Agreement”); and

**WHEREAS**, the 2018 Agreement was amended four times, on June 27, 2021, June 26, 2022, June 25, 2023, and October 8, 2024; and

**WHEREAS**, the parties desire to enter into an amended and restated agreement (hereafter, this “Agreement”); and

**WHEREAS**, this Agreements shall supersede the 2018 Agreement and all amendments to the 2018 Agreement.

Accordingly, the parties agree as follows:

**1. Effective Date**

This Agreement shall become effective when it has been executed by Alex Gammelgard and the City Manager has executed it.

**2. Term of Employment**

Police Chief shall serve at the pleasure of the City Manager and on an “at will” basis during the term of this Agreement, subject to the terms and provisions of this Agreement as set forth below.

**3. Duties; Hours of Work**

A. Police Chief shall perform those functions and duties as specified in the Grass Valley Municipal Code, the Police Chief job classification, and by direction of the City Manager. Police Chief shall perform such duties in accordance with the highest professional and ethical standards of the Police Chief position. Police Chief shall not engage in any activity that is, or which may become, incompatible with the City of Grass Valley, as provided by federal, state, and local law. During the term of this Agreement, Police Chief shall be exclusively employed by the City, unless prior written authorization otherwise is received from the City Manager.

B. Police Chief shall maintain a regular work schedule consistent with that approved for other-Directors of the City. Police Chief’s duties may involve expenditures in time in excess of eight (8) hours per day and/or forty (40) hours per week and may also include time outside normal office hours such as attendance at City Council and Commission meetings. The

Police Chief position is FLSA-exempt and Police Chief shall not be entitled to overtime or any other additional compensation for this time.

#### **4. Compensation**

A. Police Chief shall receive an annual base salary of \$228,883.20 (“Base Salary Rate”), payable in equal bi-weekly payments to be made at the same time as other employees are paid.

B. Police Chief’s compensation shall be reviewed with the City Manager at least annually in connection with the annual review or at any other times as may be determined by the City Manager. Compensation may be increased as determined by the City Manager within the salary range (Compensation and Benefits - Appendix 1) for the Police Chief position.

C. Salary may be reduced in the event Police Chief receives an unsatisfactory evaluation, either at the annual evaluation or at any additional evaluation completed by the City Manager. Compensation may be reduced as determined by the City Manager within the salary range (Compensation and Benefits - Appendix I) for the Police Chief.

D. As consideration for the annual opportunity to be considered for increased compensation pursuant to paragraph 4.B above, Employee specifically waives any right to a 4/5 vote of the City Council prior to removal from his or her position, as may be provided under City Charter Article IX, Section 2. Employee acknowledges that the City Manager is the appointing authority and may remove Employee from the Police Chief position without action of the City Council.

#### **E. Educational Incentives.**

If Employee receives the Executive Certificate through the Peace Officer Standards and Training Commission (“POST”), the City will provide Employee with a three and one half percent (3.5%) increase over his Base Salary, as an educational incentive, the first pay period following the day Employee provides the POST Executive Certificate to the City.

If Employee receives the Management Certificate through POST, the City will provide Employee with a two and one half percent (2.5%) increase over his Base Salary, as an educational incentive, the first pay period following the day Employee provides the Management Certificate to the City.

If Employee receives both the Executive and Management Certificate, Employee shall be compensated for both certificates up to a total of a six percent (6%) increase over Base Salary.

#### **F. Longevity**

Employee shall receive longevity pay as follows:

Upon completion of ten (10) continuous years of service with City, Employee shall receive an additional two and one-half percent (2.5%) over their Base Salary.

Upon completion of twenty (20) continuous years of service with City, Employee shall receive an additional two and one-half percent (2.5%) over their Base Salary.

## **5. Health Insurance**

The City shall pay the full premium for health insurance for the Police Chief, including his spouse and/or dependents, for health coverage (medical, dental, and vision) benefit options as provided to other employees.

Employee may elect not to receive health coverage from the City. Employees waiving medical insurance coverage shall receive two hundred fifty dollars (\$250) per month less the costs of any elected dental or vision insurance per month. Employees waiving health care coverage must produce evidence of insurance through another source. Any payment due Employees for waiving medical insurance coverage shall be paid in a lump sum once per month and shall be considered taxable compensation; however, such compensation is not PERSable.

## **6. Personal Leave**

Police Chief shall receive Personal Leave benefits equal to those of Department Heads, as set forth in the "Compensation and Benefits - Appendix 1". Police Chief may convert up to 160 hours of accrued Personal Leave to salary compensation once each Calendar Year pursuant to "Compensation and Benefits - Appendix 1," upon City Manager's prior approval, and consistent with Internal Revenue Service rules governing constructive receipt. Vacation and/or Annual Leave time cashed out pursuant to this provision shall be subtracted from the accumulated Vacation and/or Annual Leave balances when paid

## **7. Other Leaves and Benefits**

City shall afford Employee such other benefits as are provided to other management employees of the City on the same terms as provided to those employees except as otherwise expressly provided herein.

## **8. Professional Memberships & Meetings; Other Expenses**

City recognizes that certain expenses of a non-personal and job-related nature may be incurred by Employee. City agrees to reimburse Employee for reasonable expenses which are authorized by the City budget, approved of in advance by the City Manager, and which are supported by expense receipts, statements, or personal affidavits, and audited in like manner as other demands against the City.

## **9. Retirement**

Employees designated as local public safety (Police) "classic" employees by the City are currently provided retirement benefits under the Public Employee's Retirement System's Local Safety (Police) 3% at age 50 formula with a 9% employee contribution. Employees are also provided retirement benefits under Social Security.

"Classic" public safety (Police) designated employees will pay a pre-tax contribution for retirement for the employee share under CalPERS retirement plan of 9%. The employee shall pay the full amount of the employee's contribution rate to Social Security.

Employees designated as local public safety (Fire) “classic” employees by the City are provided retirement benefits under the Public Employees Retirement System’s (PERS) Local Public Safety (Fire) 3% at 55 formula. Employees are also provided retirement benefits under Social Security.

“Classic” public safety (Fire) designated employees will pay a pre-tax contribution for retirement for the employee share under CalPERS retirement plan of 9%. The employee shall pay the full amount of the employee’s contribution rate to Social Security.

New public safety employees hired after January 1, 2013 or “Non Classic” public safety (Fire or Police) designated employees, upon placement in a full-time employment status shall have the PERS 2.7% @ 57 formula, as provided by the terms of the contract in effect between the City and PERS. The employee contribution rate shall be 50 percent of the “normal cost” rounded to the nearest quarter of 1 percent, as determined by PERS.

Miscellaneous employees who are considered “classic” members by PERS will be responsible for paying the full employee contribution to the California Employees Retirement System, which is currently 8%. Miscellaneous employees who are considered “new” members by PERS will be responsible for paying 50 percent of the “normal cost” pursuant to the Pension Reform Act of 2013. The Employee shall pay the full amount of the Employee’s contribution rate to Social Security.

#### **10. Deferred Compensation**

The City will deposit to Police Chief’s deferred compensation account via bi-weekly payroll a contribution of \$10,000 annually.

In the event this agreement terminates or is not renewed, Police Chief shall be entitled to retain only the amount of deferred compensation accumulated as of the date of termination or non-renewal.

After such time as Police Chief resigns or is terminated, City shall transfer ownership of any deferred amount on deposit in a deferred compensation plan to succeeding employers upon Police Chief’s written request.

#### **11. Annual Performance Evaluation**

The City Manager and/or their designee shall evaluate Police Chief’s performance at least once annually. The City Manager and Police Chief shall annually develop mutually agreeable performance goals and criteria which the City Manager shall use in reviewing Police Chief’s performance in the following year. It shall be Police Chief’s responsibility to initiate this review each year.

#### **12. Indemnification**

City shall defend, hold harmless and indemnify Police Chief against any claim, demand, judgment, or action of any type or kind arising within the course and scope of Police Chief’s employment to the extent required by Government Code Sections 825 and 995.

Notwithstanding anything to the contrary in this section, pursuant to Government Code Section 53243.1, if the City provides funds for the legal criminal defense of Employee, any funds provided for that purpose shall be fully reimbursed by Employee to the City if Employee is convicted of a crime involving an abuse of office or position. Employee recognizes that City shall have the right to compromise and settle all actions or proceedings in which City is providing Employee a defense, even if Employee objects to such compromise or settlement.

### **13. Other Terms and Conditions of Employment**

A. The City Manager and City Council may from time to time fix other terms and conditions of employment relating to the performance of Police Chief, provided such terms and conditions are not inconsistent with or in conflict with the provision of this Agreement, the Grass Valley Charter or Municipal Code, or other applicable law.

B. The provisions of the City's Civil Service Rules and Regulations ("Rules") shall apply to Police Chief to the extent they explicitly apply to the position of Police Chief, except that if the specific provisions of this Agreement conflict with the Rules, the terms of this Agreement shall prevail. Without limiting the generality of the exception noted in the previous sentence, however, no provision of the Rules or this Agreement shall confer upon Police Chief a property right in his or her employment. Police Chief is not a member of the competitive/ classified service and is an "at will" employee serving at the pleasure of the City Manager and may be dismissed at any time, subject only to the provisions of this Agreement and California Government Code section 3304, subd. (c). The provisions of Article IX, Section 2, requiring a 4/5 vote of the City Council to remove a Department Head do not apply to this Agreement and are specifically waived by Employee as provided in Section 4(D) of this Agreement. Notwithstanding any other provision of this Agreement, Police Chief shall not violate any policy prohibiting discrimination, harassment, retaliation, workplace violence, or other similar misconduct as set forth in the Rules and in federal, state law, and local law.

C. Police Chief shall be exempt from paid overtime compensation.

### **14. Termination**

A. Police Chief is not part of the competitive (classified) service and therefore is an "at will" employee.

B. If Police Chief is terminated by the City Manager without cause, or for the purpose of implementing the goals or policies, or both, of the City or City Manager, for reasons including, but not limited to, incompatibility of management styles or as a result of a change in administration, Police Chief after termination will be entitled to up to six months of severance pay at Police Chief's Base Salary Rate plus payment in a lump sum of the following: 1) 100% of any accrued, but unused Personal Leave and vacation leave, if any; and 2) 50% of the value of unused sick leave, if applicable, to the extent not used for PERS Service Credit, if any. Police Chief shall be entitled to severance pay under this subsection only upon execution of a claim waiver, release of liability, and waiver of his right to notice and appeal as set forth in Section 14.C. below and under California Government Code section 3304, subd. (c). Severance pay, if any, shall be paid monthly until Employee is gainfully

employed or the 6-month limit has been reached, whichever is less. Employee shall provide notification of gainful employment to City immediately upon commencing such employment if such employment commences within six months of Employee's termination from City. Notwithstanding anything to the contrary in this subsection, pursuant to Government Code Section 53243.2, if the Agreement is terminated, any cash settlement related to the termination that Employee may receive from City shall be fully reimbursed to City if Employee is convicted of a crime involving an abuse of his or her office or position.

C. If Police Chief is terminated by the City Manager for cause, Police Chief is not entitled to any severance pay whether or not advance notice of termination is provided; however, payment for accrued, unused Personal Leave, sick leave and/or vacation leave, if applicable, shall be paid as provided in sub-paragraph B above. In accordance with California Government Code section 3304, subd. (c), the City Manager may terminate this Agreement through written notice of the cause of termination and an opportunity for administrative appeal. For purposes of this Agreement, the term "for cause" shall include, but is not limited to, any of the following:

- (a) use of alcohol or drugs that impedes performance of duties;
- (b) conviction of a felony or misdemeanor involving moral turpitude (a plea or verdict of guilty or a conviction following a plea of nolo contendere is deemed a conviction for this purpose);
- (c) a proven claim of either sexual harassment or abuse of employees in violation of law or adopted City policy;
- (d) failure to maintain licenses and professional certifications required of the Police Chief by the job description;
- (e) willful and repeated failure to carry out the lawful directives or policy decisions of the City Manager or City Council; or
- (f) willful abandonment of the position or continued and unexcused absence from duty.

D. Police Chief may voluntarily terminate his employment, by resignation or retirement or some other similar manner, upon at least one-month notice, or a lesser amount of time agreed-to in writing by the City Manager. In this circumstance, City shall have no further obligation to provide payments and benefits, including Police Chief severance pay, upon the effective date of termination of employment, other than payment of accrued Personal Leave or other payments required by law.

E. In the event an Employee dies while employed by the City, his/her beneficiary or those entitled to his/her estate shall be paid for any earned salary and any in lieu payments for personal leave and any banked vacation or sick leave at the rates established in this Agreement to which the Employee is entitled as of the final day on City payroll. City may request appropriate documentation to ensure such persons are beneficiaries or otherwise entitled to participate in Employee's estate.

## **15. Compliance With Law**

This Agreement is subject to all applicable provisions of federal, state, and local laws, including the Grass Valley Municipal Code, except for the application of specific provisions of the City Charter which are waived as set forth herein.

## **16. General Provisions**

- A. This Agreement constitutes the entire agreement between the parties. City and Police Chief hereby acknowledge that they have neither made nor accepted any other promise or obligation with respect to the subject matter of this Agreement.
- B. If any provision or any portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall not be affected and shall remain in full force and effect.
- C. Any notice to City pursuant to this Agreement shall be given in writing, either by personal service or by registered or certified mail, postage prepaid, addressed as follows:

Tim Kiser, City Manager  
City of Grass Valley  
125 East Main Street  
Grass Valley, CA 95945

With courtesy copy to:

David J. Ruderman, City Attorney  
Colantuono, Highsmith & Whatley, PC  
420 Sierra College Drive, Suite 140  
Grass Valley, CA 95945

Any notice to Police Chief shall be given in a like manner, and, if mailed, shall be addressed to Police Chief at the address shown in City's personnel records. For the purpose of determining compliance with any time limit stated in this Agreement, a notice shall be deemed to have duly given (a) on the date of delivery, if served personally, or (b) on the second (2<sup>nd</sup>) calendar day after mailing, if mailed.

- D. Venue for any disputes arising from or relating to this Agreement shall lie in the Superior Court for the County of Nevada, California. If an action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing party in that action shall be entitled to reasonable and actual attorneys' fees and costs with respect to the prosecution or defense of the action.
- E. A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver and either party shall be free to enforce any term or condition of this Agreement with or without notice to the other notwithstanding any prior waiver of that term or condition.

**17. Amendments**

This represents the entire agreement between the parties. Amendments to this agreement may be made at such times as approved by the City Manager and Police Chief and shall be in writing.

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Tim Kiser, City Manager  
“CITY”

Dated: \_\_\_\_\_

\_\_\_\_\_  
Alexander Gammelgard, Police Chief  
“EMPLOYEE”

Approved as to form:

Dated: \_\_\_\_\_

\_\_\_\_\_  
David J. Ruderman, City Attorney