

DIRECTOR OF DEVELOPMENT SERVICES/CAPITAL PROJECTS
EMPLOYMENT AGREEMENT

This Director of Development Services/Capital Projects Employment Agreement (hereinafter referred to as the “AGREEMENT”) is entered into and made effective the 13 day of August, 2024, by and between the CITY OF NEEDLES, (hereinafter referred to as the “CITY”), and Kathy Raasch, an individual (hereinafter referred to as “EMPLOYEE”). For purposes of this AGREEMENT, CITY and EMPLOYEE may be collectively referred to as the “Parties” or individually as a “Party.”

RECITALS

WHEREAS, based on EMPLOYEE’s qualifications and ability, the City Manager desires to appoint EMPLOYEE to serve as Director of Development Services/Capital Projects for CITY; and

WHEREAS, EMPLOYEE desires to perform and assume responsibility for the provision of services to CITY in the position of Director of Development Services/Capital Projects; and

WHEREAS, EMPLOYEE and CITY acknowledge and agree that this Agreement is not covered by and shall supersede any Memorandum of Understanding between City of Needles and the Teamsters Local 1932.; and

WHEREAS, the Parties wish to establish the terms and conditions of EMPLOYEE’s provision of professional services to CITY through this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, CITY and EMPLOYEE hereby agree as follows:

1. POSITION, DUTIES AND TERM.

1.1 Incorporation of Recitals. The above recitals are incorporated herein and made a part of this Agreement.

1.2 Position. EMPLOYEE accepts employment with CITY as its Director of Development Services/Capital Projects and shall perform all functions, duties and services set forth in Section 1.5 (Duties) of this Agreement.

1.3 Effective Date of Agreement/Term. This Agreement is for an unspecified term and is subject to the “At-Will” provision in Section 1.4 and termination provision in Section 4.

1.4 Employment At-Will.

(a) EMPLOYEE’s employment status with CITY shall be at-will and terminable with or without cause, at either Party’s discretion, subject to the termination provisions provided herein. EMPLOYEE shall serve at the pleasure of the City Manager. EMPLOYEE

acknowledges, understands and agrees that EMPLOYEE may not avail himself/herself of any procedures, provisions or protections set forth under CITY's Employment Policies, as defined herein, in so far as such procedures, provisions or protections limit, restrict, modify, prohibit or regulate EMPLOYEE's status as an "at-will" employee of CITY or the ability of the City Manager to terminate EMPLOYEE's employment at any time for cause or for convenience and without cause. For purposes of this Agreement, the capitalized term "Employment Policies" means and refers to any ordinance, resolution, regulation, rule, memorandum of understanding, or other written policy of CITY as the same may be amended, modified or supplemented from time-to-time, and any written employment manual of the CITY which governs, regulates or otherwise relates to employment with CITY. CITY's Employment Policies shall not apply to EMPLOYEE in so far as such Employment Policies limit, restrict, modify or regulate (or may be interpreted to limit, restrict, modify or regulate) EMPLOYEE's status as an "at will" employee of the CITY.

(b) EMPLOYEE shall not be entitled to any pre-termination hearing or other similar proceeding or appeal proceeding as a precondition to any decision or action by the City Manager to terminate EMPLOYEE's employment whether for cause or for convenience and without cause. EMPLOYEE shall also not be entitled to any post-termination hearing or appeal proceedings.

(c) Nothing in this Agreement shall confer upon EMPLOYEE any right to any property interest in continued employment with CITY.

1.5 Duties. EMPLOYEE shall serve as the Director of Development Services/Capital Projects and shall have the duties and responsibilities of the Director of Development Services/Capital Projects, attached hereto as Exhibit "A" and as the same may be amended or modified from time-to-time by the City Manager, City Council, the California Codes, Needles City Code, Needles City Charter or CITY's policies and procedures approved by the City Council. EMPLOYEE's performance of EMPLOYEE's duties shall be subject to the direction of the City Manager. EMPLOYEE shall keep the City Manager fully informed of all significant operations or major undertakings by EMPLOYEE and the Development Services/Capital Projects Department ("Department"). EMPLOYEE shall also provide the City Manager with regular status reports on the operations and activities of EMPLOYEE'S Department. EMPLOYEE shall perform such duties as are customary and appropriate to the position Director of Development Services/Capital Projects as well as such special duties as may be assigned to EMPLOYEE from time to time by the City Manager. Notwithstanding EMPLOYEE's duties as Director of Development Services/Capital Projects, nothing in this Agreement shall be construed to prohibit direct communications between the City Manager and employees within EMPLOYEE'S Department. EMPLOYEE shall attend all City Council, Board and Commission meetings, unless excused or directed otherwise by the City Manager.

1.6 Work Hours. The position of Director of Development Services/Capital Projects is an exempt position under all applicable wage and hour laws. EMPLOYEE's compensation (whether salary or benefits or other allowances) is not based on hours worked. EMPLOYEE shall not be entitled to any compensation for overtime, missed meal or rest periods, reporting time, or any other wage and hour benefits conferred upon non-exempt employees under state or federal wage and hour laws, including regulations propounded in applicable Industrial Welfare Orders.

EMPLOYEE is expected to engage in those hours of work that are necessary to fulfill the obligations of the Director of Development Services/Capital Projects position. EMPLOYEE does not have set hours of work as the Director of Development Services/Capital Projects is expected to be available at all reasonable and relevant times.

1.7 Regional and Professional Activities. CITY desires that EMPLOYEE be reasonably active in professional organizations that will promote the standing of CITY and advance CITY's goals, interests and policy objectives while also providing EMPLOYEE with opportunities for the type of professional development that will enhance EMPLOYEE'S ability to serve CITY and perform EMPLOYEE'S duties as Director of Development Services/Capital Projects. Toward this end, EMPLOYEE may, upon reasonable notice and approval by the City Manager, join professional organizations and participate in the activities of such organizations in so far as such participation promotes the interests of CITY and does not unduly interfere with the performance of EMPLOYEE's duties as Director of Development Services/Capital Projects. CITY agrees to budget and, consistent with that budget, pay for the dues, conference and travel fees, and subscriptions of the Director of Development Service necessary for EMPLOYEE'S participation in national, statewide, regional or professional organizations.

1.8 Non-CITY Activities. In accordance with Government Code Section 1126, during the period of EMPLOYEE'S employment, EMPLOYEE shall not accept, without the express prior written consent of the City Manager, any other employment or engage, directly or indirectly, in any other business, commercial, or professional activity (except as permitted under Section 1.7 (Regional and Professional Activity), whether or not for pecuniary advantage.

2. COMPENSATION AND BENEFITS AND REIMBURSEMENTS.

2.1 Base Salary. Commencing on the date EMPLOYEE commences full time work with the CITY, EMPLOYEE shall receive a base annual salary of \$151,715 per year, (hereinafter, the "Base Salary"). The Parties understand and agree that the amount of the Base Salary, as preliminarily established for the year 2024, may be adjusted from time-to-time by the CITY MANAGER following a performance evaluation, as provided for in Section 2.2 (below). In no event shall EMPLOYEE's base salary adjust automatically pursuant to any mechanism, and in no event shall EMPLOYEE's base salary exceed the maximum amount approved by the City Council, including in the City's Council approved salary table or other document that may be adopted by the City Council in the future. The Base Salary shall be payable in bi-weekly installments at the same time and in the same manner as other management employees of CITY. EMPLOYEE's salary shall be subject to customary withholding for taxes and other required deductions.

2.2 Performance Review. On or before the anniversary date of execution of this Agreement, the City Manager will undertake a job performance review of EMPLOYEE. In connection with such performance review, the City Manager may consider any adjustments in EMPLOYEE's compensation consistent with CITY's Council approved salary table. The failure of CITY to undertake a performance evaluation shall not limit CITY's ability to terminate this Agreement pursuant to Section 4 (Termination).

2.3 Benefits. In addition to Base Salary, CITY shall also provide EMPLOYEE with the following benefits:

(a) Health Insurance, Life Insurance, and Reimbursements. EMPLOYEE shall be provided with these benefits to the same extent as those benefits are provided to other City unrepresented management employees.

(b) Business Related Equipment. City shall also provide EMPLOYEE a personal computer (at work) for use in connection with CITY business. CITY shall be responsible for maintenance of said item. EMPLOYEE acknowledges and agrees that EMPLOYEE has no right to privacy with regard to business related equipment, and CITY shall be apprised of any and all passwords at all times.

(c) Participation in Additional CITY Programs. EMPLOYEE shall be eligible to participate in any other CITY program/employment benefits to the extent they are offered to non-represented CITY management employees.

(d) Cell Phone Stipend. EMPLOYEE shall receive a cell phone stipend to reimburse EMPLOYEE for business-related costs incurred when using their personally owned cell phone. As of the Effective Date, the monthly cell phone stipend is Fifty Dollars (\$50.00). CITY may review and adjust the monthly cell phone stipend from time to time.

(e) Holidays and Leave. EMPLOYEE shall accrue vacation leave, sick leave, and other leave as required by state or federal law as provided in the City of Needles Employee Handbook.

(f) To offset the number of evening City Council, Board and Commission meetings EMPLOYEE is entitled to 40 hours of comp time per year which cannot be converted to cash.

(g) PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) ELIGIBILITY.
The City has contracted with the California Public Employees Retirement System ("CalPERS") for its employees. As used in this Agreement, the terms "Classic Members" and "New Members" shall be the same as those terms are used in the Public Employees' Pension Plan Reform Act of 2013.

As of the Effective Date of this Agreement, EMPLOYEE is a:

_____ Classic Member x New Member subject to PEPRRA, as may be amended from time to time.

EMPLOYEE shall receive the same CalPERS benefits as other unrepresented management employees of City, as may be amended from time to time by the City in its sole and absolute discretion. The CalPERS benefits are currently as follows:

As to New Members, the Benefits are the 2% at 62 Formula.

3. ILLNESS OR INJURY; DISABILITY AND DEATH.

3.1 Cessation of Work Due to Injury or Disability. In addition to any right of termination set forth under Section 1.4 and Section 4 (Employment With CITY "At-Will"), above, CITY also reserves the right to terminate EMPLOYEE's employment along with this Agreement if EMPLOYEE ceases to work as a result of injury or disability which results in Employee being unable to perform the essential duties of the Director of Development

Services/Capital Projects position, with or without accommodation, for a period of six (6) consecutive months or more, as documented by a healthcare provider. The foregoing notwithstanding, CITY may terminate EMPLOYEE if, in the CITY'S unilateral discretion if the disability poses a direct threat to the safety of CITY, EMPLOYEE or any other employees working for CITY, and any reasonable accommodation attempted by CITY would not mitigate or eliminate such a threat. CITY will not provide a severance payment if EMPLOYEE is terminated under this Section of this Agreement.

3.2 Compensation for Work-Related Illness or Injury. In the event EMPLOYEE suffers a physical or mental illness or disability arising out of the course of employment, EMPLOYEE's exclusive remedy or remedies against CITY for such illness, injury or disability shall be those legally allowed under the workers' compensation laws of the State of California. The Parties further agree that the California Workers Compensation Appeals Board shall be the exclusive venue for any claim of physical or mental illness or disability arising out of the course of EMPLOYEE'S employment with the CITY.

3.3 Medical Examination. EMPLOYEE agrees to submit to a medical and/or psychological examination by a qualified physician or psychiatrist selected by CITY, in the event the CITY determines a medical and/or psychological examination is needed to make a decision under Sections 3.1 through 3.2. CITY and EMPLOYEE shall receive a copy of all medical reports related to the examination.

3.4 Death of Employee. This Agreement along with EMPLOYEE's employment shall terminate automatically upon EMPLOYEE's death.

3.5 Compensation Upon Termination. Except as otherwise provided under this Agreement, if EMPLOYEE's employment is terminated pursuant to this Section 3 (Illness or Injury; Disability and Death), CITY shall pay EMPLOYEE all Base Salary, benefits, and compensation due and owing EMPLOYEE through the last day actually worked. If termination is caused by EMPLOYEE's death, CITY shall provide the compensation and benefits otherwise due EMPLOYEE to EMPLOYEE's executor, administrator, heirs, personal representatives, successors, and assigns. CITY will not provide for any "severance payment," as defined in Section 4, if EMPLOYEE is terminated under the provisions of Section 3.1 through 3.5.

4. TERMINATION.

4.1 Termination by CITY for Convenience and Without Cause. EMPLOYEE is appointed and serves at the pleasure of the CITY and is an at will employee. The CITY may terminate EMPLOYEE at any time for convenience and without cause. In the event EMPLOYEE is terminated without cause, at or during such time that EMPLOYEE is willing and able to performed his/her duties under this AGREEMENT, then in that event, CITY agrees to pay EMPLOYEE a severance equal to six (6) months' Base Salary, less any and all applicable or legally required deductions, provided EMPLOYEE has executed a CITY approved

full and final release of any and all actual or potential claims (including a Civil Code Section 1542 release) that EMPLOYEE has or could have against CITY, its officials, employee and/or agents. At the time of termination without cause, EMPLOYEE shall also receive all accrued but unused vacation. The foregoing notwithstanding, in no event shall the “severance payment” include the payment of any sums prohibited pursuant to Government Code Section 53260-53264, and any such sums shall be deducted from the “severance payment.”

4.2 Termination by Employee. EMPLOYEE may terminate EMPLOYEE’S employment for any reason, and at any time, with or without cause. EMPLOYEE shall not receive a “severance payment” in the event EMPLOYEE terminates his/her employment with CITY pursuant to this Section.

4.3 Termination for Cause by CITY. CITY may immediately terminate EMPLOYEE’S employment with CITY and this Agreement at any time by providing EMPLOYEE written notice of EMPLOYEE’S termination for cause and the reason(s) for the termination, and an opportunity for a discussion with the City Manager or the City Manager’s designee. In the event the City Manager and EMPLOYEE are unable to resolve any disagreement regarding the cause for EMPLOYEE’S termination, the Parties agree to binding arbitration as provided in Section 6. No “severance payment” shall be paid in the event EMPLOYEE’S employment is terminated for cause, except that CITY shall pay EMPLOYEE for all earned but unpaid wages and all accrued and unused vacation, as provided for in this Agreement. The term “cause” shall be defined to include any misconduct materially related to performance of official duties, including but not be limited to any of the following: 1) breach of this AGREEMENT, 2) willful or persistent breach of duties, 3) resume fraud or other acts of material dishonesty, 4) unauthorized absence or leave not otherwise supported by valid documentation from a healthcare provider, 5) conviction of a misdemeanor involving moral turpitude (i.e., offenses contrary to justice, honesty, or morality), conviction of a misdemeanor DUI, or conviction of a felony under California law (the CITY may, in its discretion, place EMPLOYEE on paid or unpaid administrative leave until resolution of charges brought against EMPLOYEE), 6) violation of the CITY’S anti-harassment policies and/or a finding that EMPLOYEE engaged in legally prohibited personal acts of harassment, discrimination, and/or retaliation against a CITY official, CITY employee, or any individual protected by state or federal laws prohibiting harassment, discrimination, and/or retaliation, 7) violation of the Needles City Code, ordinances, rules or regulations, including but not limited to the CITY’S Employee Handbook, 8) use or possession of illegal drugs, 9) engaging in conduct tending to bring embarrassment or disrepute to the CITY, 10) any illegal or unethical act involving personal gain, 11) failure to carry out materially significant and legally constituted directions or policy decisions of the City Council or City Manager, or 12) gross misfeasance or gross malfeasance.

4.4 Termination Obligation. EMPLOYEE agrees that all property, including without limitation, all equipment, tangible, Proprietary Information (as defined below), credit cards, keys, passwords, cell phones, tablets, pagers, documents, records, notes, contracts, and computer-generated materials furnished to or prepared by EMPLOYEE incident to EMPLOYEE’S employment are the property of CITY and shall be returned promptly to CITY upon termination of EMPLOYEE’S employment. EMPLOYEE’S obligations under this subsection shall survive the

termination of EMPLOYEE'S employment and the expiration or early termination of this Agreement.

4.5 Benefits Upon Termination. All benefits to which EMPLOYEE is entitled under this Agreement shall cease upon EMPLOYEE's termination, unless expressly continued under this Agreement, under any specific written policy or benefit plan applicable to EMPLOYEE, or unless otherwise required by law.

5. CONFLICT OF INTEREST.

5.1 EMPLOYEE shall not, during the term of this Agreement, individually, as a partner, joint venture, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of CITY, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without prior approval of the City Manager and City Council. EMPLOYEE shall also be subject to the conflict of interest provisions of the Government Code of the State of California, the Needles City Code, and any other conflict of interest regulations applicable to EMPLOYEE's employment with CITY. For and during the Term of this Agreement and any extension term, EMPLOYEE further agrees that except for a personal residence or residential property acquired or held for future use as EMPLOYEE'S personal residence, EMPLOYEE will not invest in any other real estate or property improvements within the corporate limits of CITY without the prior consent of the City Manager and City Council.

6. ARBITRATION OF DISPUTES.

6.1 Any claim, dispute, or controversy which would otherwise require or allow resort to any court or other governmental dispute resolution forum between EMPLOYEE and CITY arising from, related to, or having any relationship or connection whatsoever with EMPLOYEE'S employment or the terms of this Agreement, whether based on tort, contract, statutory, or equitable law, or otherwise, shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act, in conformity with the procedures of the California Arbitration Act (Cal. Code Civ. Proc. sec 1280 et seq.), including section 1283.05 and all of the Acts other mandatory and permissive rights to discovery); provided, however, that: in addition to requirements imposed by law, any arbitrator herein shall be a retired California Superior Court Judge and shall be subject to disqualification on the same grounds as would apply to a judge of such court. If for any reason the Parties cannot agree to an arbitrator, either Party may apply to a court of competent jurisdiction with authority over the location where the arbitration will be conducted for appointment of a neutral arbitrator. The court shall then appoint an arbitrator, who shall act under this Agreement with the same force and effect as if the Parties had selected the arbitrator by mutual agreement. The arbitrator shall then prescribe the rules and procedures for the arbitration process in accordance with laws that are applicable to the claim being raised. EMPLOYEE understands that by agreeing to this binding arbitration provision, both CITY and EMPLOYEE give up their right to a trial by jury.

7. GENERAL PROVISIONS.

7.1 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be effective upon delivery by hand or three (3) business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed to CITY at the address below or at the last known address maintained in EMPLOYEE personnel file. EMPLOYEE agrees to notify CITY in writing of any change in EMPLOYEE'S address during EMPLOYEE'S employment with CITY. Notice of change of address shall be effective only when accomplished in accordance with this Section.

CITY's Notice Address:

City of Needles
817 Third Street
Needles, CA 92363

Director of Development Services/Capital Projects' Notice Address:

Kathy Raasch
519 E. A Street
Mohave Valley, AZ 86440

7.2 Indemnification. Subject to, in accordance with, and to the extent provided by the California Government Claims Act (Government Code section 810 et seq.) CITY will indemnify, defend, and hold EMPLOYEE harmless from and against any action, demand, suit, monetary judgment or other legal or administrative proceeding, and any liability, injury, loss or other damages, arising out of any negligent act or omission occurring during the Term of this Agreement or any extension term. CITY shall have the discretion to compromise or settle any such claim, demand or action and pay the amount of any settlement or judgment rendered thereon. Notwithstanding the foregoing, CITY shall have no duty to indemnify, defend, or hold EMPLOYEE harmless from any criminal proceeding, or with regard to any civil, criminal or administrative proceeding initiated by EMPLOYEE.

7.3 Entire Agreement. This Agreement is intended to be the final, complete, and exclusive statement of the terms of EMPLOYEE's employment by CITY. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of EMPLOYEE, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of CITY, now or in the future, apply to EMPLOYEE and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control. However, as noted in Section 2.7 above, EMPLOYEE shall be eligible to participate in any other CITY programs/employment benefits to the extent they are offered to CITY's unrepresented management employees.

7.4 Amendments. This Agreement may not be amended except in a written document signed by EMPLOYEE, approved by the City Manager, City Council and signed by the City Attorney.

7.5 Waiver. Failure to exercise any right under this Agreement shall not constitute a waiver of such right.

7.6 Assignment. EMPLOYEE shall not assign any rights or obligations under this Agreement. CITY may, upon prior written notice to EMPLOYEE, assign its rights and obligations hereunder.

7.7 Severability. If any court of competent jurisdiction holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect.

7.8 Governing Law. This Agreement is entered into and is to be performed in San Bernardino County, California and shall be governed by and construed in accordance with the controlling laws of the State of California or federal law, whichever is applicable, and the Parties agree that venue in any court proceeding shall be in San Bernardino County, California.

7.9 Interpretation. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit or against the party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement. This Agreement shall not be construed in favor of or against a party on the grounds that they drafted the Agreement or language in dispute.

7.10 Statutory Obligations

a. Abuse of Office or Position. Pursuant to California Government Code Sections 53243, 53243.1 and 53243.2, which became effective on January 1, 2012, if EMPLOYEE is convicted of a crime involving an abuse of EMPLOYEE'S office or position, all of the following shall apply: (1) if EMPLOYEE is provided with an administrative leave pay pending an investigation, EMPLOYEE shall be required to fully reimburse such amounts paid by CITY; (2) if CITY pays for the criminal legal defense of EMPLOYEE (which would be in its sole discretion, as CITY is generally not obligated to pay for a criminal defense), EMPLOYEE shall be required to fully reimburse such amounts paid by CITY; and (3) if this Agreement is terminated, any cash settlement related to the termination of EMPLOYEE by CITY, said amount shall be fully reimbursed to CITY or shall be void if not yet paid to EMPLOYEE. For this Section, abuse of office or position means either: (1) an abuse of public authority, including waste, fraud, and violation of the law under the color of authority; or (2) a crime against public justice, including a crime described in Title 7 commencing with section 92 of the California Penal Code.

b. Maximum Cash Settlement Upon Termination of Agreement. Pursuant to California Government Code Sections 53260 and 53261, regardless of the term of this Agreement,

if the Agreement is terminated and a dispute arises regarding the termination, the parties agree that the maximum cash settlement that EMPLOYEE may receive shall be equal to the monthly salary of EMPLOYEE multiplied by eighteen and shall not include any other noncash items except health benefits, which may be continued for the same duration of time (18 months) or until employee finds other employment, whichever occurs first.

7.11 Incorporation of Recitals. The Parties repeat and incorporate the recitals set forth above as if fully set forth herein.

7.12 Acknowledgment. EMPLOYEE acknowledges that EMPLOYEE has had the opportunity to consult legal counsel in regard to this Agreement, that EMPLOYEE has read and understands this Agreement, that EMPLOYEE is fully aware of its legal effect, and that EMPLOYEE has entered into it freely and voluntarily and based on EMPLOYEE'S own judgment and not on any representations or promises other than those contained in this Agreement.

IN WITNESS WHEREOF, the Parties executed this AGREEMENT on the date first written above.

“EMPLOYEE”

Dated: _____

By: _____

“CITY”
CITY OF NEEDLES

Dated: _____

By: _____
Patrick Martinez, City Manager

ATTEST:

Dated: _____

By: _____
Dale Jones, City Clerk

DIRECTOR OF DEVELOPMENT SERVICES/CAPITAL PROJECTS
EMPLOYMENT AGREEMENT

Exhibit "A"

Job Description

Exhibit "A"