

TERMINATION OF PROFESSIONAL SERVICES AGREEMENT

(City Management Advisory Consulting Services — Pete Carr dba City Management Consulting)

This Termination Agreement is entered into by the City of Orland, a California general law city (“City”), and Pete Carr, an individual doing business as City Management Consulting (“Contractor”), effective August 19, 2026 (the “Termination Date”).

Recitals

A. The parties entered into a Professional Services Agreement for city management advisory consulting services, effective July 22, 2026 (the “Agreement”), engaging Contractor as an independent contractor.

B. Contractor is a CalPERS service retiree. CalPERS has determined that the services described in the Agreement must be performed, if at all, by Contractor as a retired annuitant employee rather than as an independent contractor. The parties wish to terminate the Agreement and to restructure the engagement as an extra-help retired annuitant appointment pursuant to Government Code sections 21224 and 7522.56, as approved by the City Council on August 18, 2026.

THEREFORE, the parties agree:

1. Termination. The Agreement is terminated in its entirety as of the Termination Date. Neither party shall have any further obligation under the Agreement except as stated in this Termination Agreement or as expressly surviving under the Agreement’s terms (including confidentiality and indemnification obligations).

2. Compensation for the Interim Period. In lieu of the monthly retainer described in the Agreement, compensation for all services performed by Contractor from July 22, 2026 through the Termination Date shall be paid at the rate of \$100.00 per hour for actual hours worked, as documented in records submitted to and approved by the Interim City Manager. The parties acknowledge that CalPERS has advised, and the parties intend, that such hours be reported to CalPERS and counted toward the 960-hour fiscal-year limitation applicable to retired annuitants. No other compensation is owed under the Agreement, and Contractor waives any claim to the monthly retainer or any other payment thereunder.

3. Work Product. Contractor has delivered, or will promptly deliver, to the City all work product and City materials in his possession, as required by Section 3 of the Agreement.

4. Mutual Release. Each party releases the other from any and all claims arising out of or relating to the Agreement or its termination, except for the payment obligation in Section 2 above and obligations that expressly survive.

5. Entire Agreement. This Termination Agreement is the entire agreement of the parties regarding termination of the Agreement and may be amended only in a writing executed by both parties. It shall be interpreted under California law; venue lies in Glenn County.

PETE CARR dba CITY MANAGEMENT CONSULTING (“CONTRACTOR”)

DATED: August ___, 2026

Pete Carr

CITY OF ORLAND

DATED: August ___, 2026

Justin Chaney, Interim City Manager

APPROVED AS TO FORM:

Scott Drexel
City Attorney

ATTEST:

Jennifer Schmitke
City Clerk