EMPLOYMENT AGREEMENT (CITY MANAGER)
BETWEEN THE CITY OF ORLAND AND TODD JUHASZ

This Employment Agreement ("Agreement") is made and entered into this 3rd day of January 2027 ("Effective Date"), by and between the City of Orland (the "City"), a municipal corporation, and Todd Juhasz ("Employee"), an individual.

RECITALS

WHEREAS, the City requires the services of a person with proven executive and administrative qualifications to fill the position of City Manager; and

WHEREAS, the City, acting by and through its City Council, desires to appoint Todd Juhasz to the position of City Manager.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

ARTICLE 1. TERM OF EMPLOYMENT

Section 1.01. Term.

City hereby employs City Manager and City Manager hereby accepts employment with City as City Manager (Parties) for a period of five (5) years, commencing January 03, 2027 and ending January 03, 2032. Not less than 180 days before the end of the employment term, the Parties will meet and confer regarding extension of this Agreement. Any extension shall be by written amendment approved by the Council in open session. Expiration of the employment term without extension is not a termination under Article 6 and does not entitle the City Manager to severance.

Section 1.02. "Employment Term" - Defined.

As used herein, the phrase "employment term" refers to the entire period of employment of City Manager by City hereunder, whether terminated earlier as hereinafter provided or extended by mutual agreement between City and City Manager.

ARTICLE 2. DUTIES AND OBLIGATIONS OF CITY MANAGER

Section 2.01. Duties and Obligations.

City Manager shall serve as the City's City Manager during the term of employment. In the capacity of City Manager, City Manager shall do and perform all services, acts or things necessary or advisable to manage and maintain the business of City, subject to the policies set by City, Orland Municipal Code (OMC) Chapter 2.12, and in accordance with all applicable law.

Section 2.02. Faithful Performance.

City Manager agrees that to the best of his ability and experience he will at all times faithfully, loyally and conscientiously perform all of the duties and obligations required of him either expressly or implicitly by the terms of this Agreement.

Section 2.03. Outside Employment.

City Manager shall devote his entire production time, ability and attention to the business of City during the term of this Agreement; provided, however, upon approval by the Council, that City Manager may undertake outside employment that does not interfere with the duties and responsibilities of City Manager's position. Any consideration of outside employment shall be presented to the City Council for prior review.

(a) This Agreement shall not be interpreted to prohibit City Manager from making passive personal investments or conducting private affairs if those activities do not materially interfere with the services required under this Agreement.

Section 2.04. City Manager and City Council Relationship.

Consistent with Chapter 2.12 of the OMC, the City Council sets policy direction, and the City Manager and staff determine how to best deliver that outcome. As such, the City Manager has the autonomy to direct City staff as defined by the City's Organizational Chart without direct interference by Council with Department Heads or other City staff. The City Manager's authority under this Section remains subject to the general direction of the Council acting as a body.

ARTICLE 3. OBLIGATIONS OF CITY

Section 3.01. Compensation, Benefits, Expenses.

City shall provide City Manager with the compensation, incentives, benefits, and expense reimbursement specified elsewhere in this Agreement.

Section 3.02. Indemnification for City Losses.

City shall indemnify City Manager for all losses sustained by City Manager as a direct consequence of the discharge of his duties on City's behalf.

Section 3.03. Performance Evaluations.

City Manager shall receive annual performance evaluations by the Council.

ARTICLE 4. COMPENSATION OF CITY MANAGER

Section 4.01. Compensation.

(a) As compensation for the services to be rendered by City Manager hereunder, City shall pay City Manager the sum of $205,000.00 per year for the first year of this agreement, $209,100.00 per year for the second year of this agreement (a 2% increase), and $213,282.00 per year for the third year of this agreement (a 2% increase). For the fourth and fifth years of this agreement, the base salary shall be the third-year salary, subject to any increase the Council may approve following the City Manager's annual performance evaluation.

(b) City Manager's salary shall in no event be reduced during the term of this Agreement except as included in a general salary reduction applied to City employees for whom the City Council

has the authority to set salaries. In the event of such salary reduction, it shall be at the same percentage applied to other employees.

(C) If, during the employment term, Juhasz dies, the City shall pay his accrued, unpaid base salary through the date of death and accrued, unused vacation and Management Leave to the person or persons entitled under Probate Code sections 13600 et seq., or otherwise to his estate. No severance under Section 6.03 is payable on death.

Section 4.02. Management Leave.

City Manager shall be entitled to receive 80 hours of Management Leave annually which shall accrue monthly. In consideration of this benefit, City Manager agrees to release and waive any and all claims or potential claims which did accrue or may have accrued for overtime compensation or any other such claims under the Fair Labor Standards Act or the California Labor Code from the date of City Manager's initial hire date through the date of this contract.

ARTICLE 5. CITY MANAGER BENEFITS

Section 5.01. Vacation.

City Manager shall be entitled to annual vacation time each year at the rate of 160 hours per year. Vacation time shall accrue monthly. Total accumulated vacation time shall not exceed 240 hours. Vacation time shall not accrue beyond 240 hours for the length of this Agreement. Any such vacation time beyond 240 hours shall be lost.

Section 5.02. Other Benefits.

City Manager shall receive medical insurance, retirement benefits and all other fringe benefits in amounts and types equal to those of City department heads and subject to change as department head benefits may change.

Use of the City Manager's personal motor vehicle for City-related transportation shall be compensated with a $600 a month transportation stipend in lieu of mileage reimbursement. The stipend is taxable and is not reported to CalPERS as pensionable compensation.

City to Provide a Cell Phone for Official Business.

City Manager shall submit itemized monthly expense reports and shall be reimbursed for City-related expenses.

Section 5.03. Cash in Lieu of Medical Coverage.

If the City Manager waives enrollment in City-sponsored medical coverage and provides proof, acceptable to the City and renewed each plan year, that he is enrolled in other group health coverage, the City shall pay him the same monthly opt-out payment the City provides to department heads under its memorandum of understanding with the Mid-Management Unit (currently $765), as that amount may change. The payment is taxable compensation, is not reported to CalPERS as pensionable

compensation, and is in lieu of any other opt-out or cash-in-lieu payment. The payment ends on the last day of the month in which the other coverage ends, and the City Manager may then enroll in City-sponsored medical coverage as the plan permits.

ARTICLE 6. TERMINATION OF EMPLOYMENT

Section 6.01. Termination as City Manager for Cause.

The City Manager's status as such and all rights under this Agreement hereunder may be terminated by the Council at any time upon a material breach of this Agreement, for the commission of a felony, for a crime involving moral turpitude or for any conduct bringing substantial discredit to the City. The Council shall not terminate this Agreement pursuant to this section until a written statement of grounds for termination has first been served upon the City Manager. The City Manager shall then be entitled to a meaningful hearing with the Council and shall have the right to have a representative of his choice at said hearing. The hearing with the Council shall be the City Manager's exclusive right to any hearing otherwise required by law.
The hearing process shall be governed by the provisions of the OMC.

Section 6.02. Post Election Termination.

Notwithstanding any provision in this Agreement to the contrary, the City shall not terminate this Agreement within six (6) months following a general municipal election except by 4/5 votes of the City Council. This Section applies in addition to, and does not shorten, the limitation on removal in OMC section 2.12.290.

Section 6.03. Early Termination without Cause.

Notwithstanding any other provision of this Agreement, the Council, in its discretion, shall have the option to terminate this Agreement at any time during the term hereof, or upon any extension thereof; provided, however, that if the Council does terminate this agreement, without cause, Juhasz, upon his execution and non-revocation of a general waiver and release of all claims related to or arising out of his employment with the City, in a form acceptable to the City, shall be entitled to a lump sum cash payment equal to six (6) months of base salary at the rate then in effect (or, if fewer than six months remain on the term, base salary for the months remaining), reduced by any salary paid to Juhasz for the notice period required by OMC section 2.12.250, and six (6) months' city paid medical, dental, and vision coverage at the COBRA rate, provided that the City's obligation to reimburse coverage ends if Juhasz finds other employment during that period. Juhasz shall be required to pay the invoice for the medical, dental, and vision coverage and submit the receipt to the City for prompt reimbursement. If Juhasz is receiving the monthly payment under Section 5.03 on the date of termination, the City shall continue to pay him that monthly amount, in place of City-paid medical coverage and subject to the same waiver and release, for six (6) months (or, if fewer than six months remain on the term, for the months remaining) or until he finds other employment, whichever occurs first. These continued payments count toward the maximum cash settlement described below. This severance provision is required to comply with Government Code section 53260 et seq., and therefore, as a limitation, the maximum cash settlement that Juhasz may receive as severance shall be an amount equal to the monthly base salary multiplied by the number of months left on the unexpired term of the Agreement and continuation of health benefits for the same period as the severance period. In the event that

Juhasz is terminated because of his conviction of any illegal act involving personal gain or is convicted of any felony or misdemeanor involving moral turpitude (as defined by California State Law), then the City shall have no obligation to pay the aggregate severance sum designated in this paragraph or to provide benefits.

Section 6.04. Reimbursement Upon Conviction of Abuse of Office.

Notwithstanding any other provision of this Agreement, and as required by Government Code sections 53243 through 53243.4: (a) if the City places Juhasz on paid leave pending an investigation and he is later convicted of a crime involving an abuse of his office or position, he shall fully reimburse the City for any salary paid during that leave; (b) if the City pays for his criminal legal defense and he is convicted of a crime involving an abuse of his office or position, he shall fully reimburse the City for those funds; and (c) if he receives a cash settlement under Section 6.03 and is later convicted of a crime involving an abuse of his office or position, he shall fully reimburse the City for that settlement. "Abuse of office or position" has the meaning given in Government Code section 53243.4.

Section 6.05. Effect on Compensation if Early Termination.

In the event that this Agreement is terminated early, and subject to Section 6.03, City Manager shall be entitled to the compensation and benefits earned by and vested in him prior to the date of termination as provided for in this Agreement, computed pro rata up to and including that date to include accrued Managerial Leave and Vacation Leave.

Section 6.06. Termination by City Manager.

The City Manager shall provide City with at least 30 days' notice of termination of this Agreement.

ARTICLE 7. GENERAL PROVISIONS

Section 7.01. Affiliation - Professional and Local Associations.

During the term of this Agreement and any extensions thereof, City Manager shall maintain membership in good standing in the International City Management Association (ICMA) and shall subscribe to and act in accordance with the Associations' ethics codes. City agrees to pay the costs of such membership. City Manager shall also maintain membership in good standing in the City Manager's Department of the League of California Cities.

City to pay for attendance, by the City Manager, at either Cal Cities City Manager Conference or ICMA's City Manager Conference once annually.

City Manager is expected to participate in City functions but is not expected to become a member of one or more community organizations. City will consider payment for one such membership upon presentation of such to the Council.

Section 7.02. Notices.

Any notices to be given by either party to the other shall be in writing and may be transmitted either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notice shall be addressed to the City at 815 Fourth St, Orland, CA 95963. Mailed notice shall be addressed to the City Manager at the mailing address then on file with the City Clerk's office. Each party may change their address by written notice in accordance with this section. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of the date of mailing.

Section 7.03. Attorney Fees.

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney fees. This provision shall be construed as applicable to the entire contract.

Section 7.04. Agreement an Entirety.

This Agreement supersedes any and all other agreements, either oral or written, between the Parties with respect to the employment of City Manager by City and contains all of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, and which are not embedded herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

Section 7.05. Non-Waiver.

The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power be for all or any other times.

Section 7.06. Effect of Invalidity.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

Section 7.07. Applicability - California Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for enforcement shall be the County of Glenn, California.

Section 7.08. Construction with the Orland Municipal Code.

The terms of this Agreement are deemed additional terms and conditions of employment not inconsistent with any provisions of Chapter 2.12 of the OMC, as set forth at OMC section 2.12.300. In the event of any inconsistency, however, the terms of the OMC shall prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year last below written.

Dated:

City of Orland
Terrie Barr, Mayor

_____

Dated:

Todd Juhasz

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Approved as to form,
Scott Drexel, City Attorney

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