

**CITY OF COALINGA
CITY MANAGER EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement") is entered into between the City of Coalinga, a municipal corporation of the State of California ("City") and Marissa Trejo ("Trejo"), with respect to the following Recitals, which are a substantive part of this Agreement:

RECITALS

- A. Trejo has been the Human Services Director with City since 2008, operating under an Employment Agreement dated October 20, 2008, as amended on June 15, 2009 and June 3, 2010 ("Human Resources Director Employment Agreement").
- B. Trejo has also been serving as Interim City Manager since March 24, 2015.
- C. Trejo desires to become the permanent City Manager in a position combined with the duties of Human Resources Director, subject to minor policy and duty changes to avoid conflicts of interest.
- D. City desires to appoint Trejo into the combined City Manager/Human Resources Director position, which for purposes of this Agreement shall be referred to as City Manager.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, City and Trejo agree as follows:

- 1. Employment. City employs Trejo as the City Manager, effective November 5, 2015. Trejo will be an at-will employee serving at the pleasure of the City Council subject to the terms and conditions set forth below. Trejo's employment with City as City Manager is at the mutual consent of both Trejo and City. There are no express or implied agreements contrary to the foregoing.
- 2. Duties and Professional Conduct. Trejo shall have the powers and shall perform the duties prescribed in the City's ordinances, rules and regulations for the City Manager and Human Resources Director positions, except for those modifications of duties to the Human Resources Director position that may be made as set forth in Recital C. Trejo shall also perform such additional responsibility as may be assigned by the City Council. Trejo shall adhere to the professional standards of conduct as prescribed by the International City/County Management Association.
- 3. Term of Employment and Termination. The term of Trejo's employment shall continue for indefinite period until terminated as provided herein. It is expressly understood and agreed that Trejo serves as an at-will employee of the City, and that subject to the provisions set out below, she may be terminated at any time by a majority of the City Council, with or without cause, and without any rights to a hearing or an

appeal. This Agreement shall supersede the Human Resources Director Employment Agreement, unless Trejo is reinstated to that position as set forth below.

a. Termination Without Cause: Severance or Option to Reinstate to Human Resources Director. If Trejo is able and willing to perform her duties as specified in this Agreement, and the City Council decides to terminate Trejo without cause (as defined below), City shall provide Trejo with the following severance package: Severance pay equal to six (6) months salary payable in a lump sum; plus all unused accrued vacation and administrative leave, and any other payments required to be made under City policies and applicable law available to all employees; plus six (6) months of COBRA health insurance premiums.

As an alternative to the severance package, City may reinstate Trejo to the position of Human Resources Director under the terms of the Human Resources Director Employment Agreement.

City and Trejo agree that the damages to Trejo which may result from termination of this Agreement without cause cannot be readily ascertained, and therefore agree that the payments made pursuant to this subsection constitute reasonable liquidated damages for Trejo and fully compensates Trejo for all tort, contract, and other damages of any nature whatsoever, whether in law or equity. City and Trejo agree that City's completion of its obligations under this subsection constitutes Trejo's sole remedy to the fullest extent provided by law.

b. Termination for Cause. If Trejo is terminated for cause, Trejo shall not be entitled to the benefits under this Section.

c. For Cause Defined. For cause shall mean any of the following: (i) the refusal to follow the lawful directions of the Council; (ii) failure to substantially perform any of the required duties of the City Manager; (iii) repeated unexcused absences from the City Manager's office and duties; (iv) conviction of a felony; (v) conviction of a misdemeanor crime involving acts of moral turpitude; (vi) willful misconduct. A plea of no contest or nolo contendere shall be considered a conviction.

d. Termination Defined. Termination shall mean removal from office or a request that the City Manager resign. Termination shall not mean a percentage reduction of salary or a reduction of benefits generally applicable to all other management employees.

e. Consultation After Termination. For a period of sixty (60) days after termination, regardless of the reason, Trejo shall be reasonably available for consultation regarding City operations. Trejo shall receive no compensation for this consultation except for the consideration provided for in this Agreement.

f. Conviction of Crime Involving Abuse of Office. Regardless of the term of this Agreement, if this Agreement is terminated, any cash settlement related to the

termination shall be fully reimbursable to City if Trejo is convicted of a crime involving an abuse of her office.

4. Resignation. Trejo may voluntarily resign at any time from her position with the City provided that she gives the City not less than sixty (60) days notice in advance, in which case she foregoes any right to severance pay.

5. Compensation and Benefits.

a. Salary. City shall pay Trejo an annual salary of \$146,000.00, payable in installments at the same time and under the same conditions as other employees of the City are paid.

b. Overtime. Trejo shall be an exempt managerial employee and not subject to any overtime compensation under State law or the Fair Labor Standards Act.

c. Compensation Adjustments. The salary of Trejo shall be reviewed annually by the City Council, beginning in November 2016, in conjunction with a performance review as set forth in this Agreement. The City Council may, in its discretion, following the annual performance evaluation adjust Trejo's salary by up to five (5%) percent. The number of 5% adjustments shall be limited to three (3) steps during the term of this Agreement.

d. Pension and Retirement. City shall provide Trejo with the same retirement benefits provided to other management employees of the City.

e. Health and Other Insurance. City shall provide Trejo with the same long term disability, medical, dental, life, and vision insurance coverage and benefits as are provided other management employees of the City, except as follows:

City shall pay the employee's (family plan) premium for health, vision and dental insurance from available options through its insurance carrier. Trejo shall be responsible to pay any and all deductibles, co-payments, or other charges above the health insurance premium.

f. Paid Vacation Leave. City agrees that Trejo shall accrue paid vacation leave at the following rate:

<u>Service Years</u>	<u>Vacation Days</u>
0-4	15
5-10	20
Over 10	20

Trejo shall be entitled to a maximum accrual of two-hundred-and-eighty (280) hours of unused vacation leave. Trejo shall have the option of converting up to eighty (80) hours of accrued vacation leave into cash each fiscal year.

TO EMPLOYEE: Marissa Trejo
City Manager
City of Coalinga
155 W. Durian Avenue
Coalinga, CA 93210

Notices shall be deemed given as of the date of personal service or upon the date of deposit in the course of transmission with the US Postal Service.

14. General Provisions.

a. Governing Law and Venue. This Agreement and the rights and obligations of the parties shall be governed by and construed in accordance with the laws of the State of California. The parties also agree that, in the event of litigation, venue shall be the state courts located in Fresno County, California.

b. Entire Agreement. This Agreement contains the entire agreement and understanding between the parties. There are no oral understandings, terms, or conditions, and neither party has relied upon any representation, express or implied not contained in this Agreement.

c. No Assignment. Trejo may not assign or transfer any rights granted or obligations assumed under this Agreement.

d. Modification. This Agreement cannot be changed or supplemented orally. It may be modified or superseded only by a written instrument executed by both of the parties.

e. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, the remaining provision of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates following their signature.

TREJO

COALINGA

Marissa Trejo

Ron Ramsey, Mayor

November __, 2015

November __, 2015