

**CITY OF RIO DELL
COMMUNITY DEVELOPMENT DIRECTOR
EMPLOYMENT AGREEMENT**

This Employment Agreement (this "Agreement") is made and entered by and between the **CITY OF RIO DELL**, a municipal corporation of the State of California, hereinafter referred as the "Employer" and **Kevin Caldwell**, hereinafter referred to as "Employee" or "**Community Development Director**", both of whom understand as follows:

RECTIALS

A. WHEREAS, Employer desires to employ the services of said **Kevin Caldwell** as **Community Development Director** of the City of Rio Dell; and

B. WHEREAS, it is the desire of the **EMPLOYER**, to provide certain benefits, establish certain conditions of employment, and set working conditions of said Employee; and

C. WHEREAS, Employee desires to accept employment as the **Community Development Director** of the said City;

AGREEMENT

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

SECTION 1. DUTIES. Employer hereby agrees to employ **Kevin Caldwell** as **Community Development Director** of said Employer to perform the functions and duties specified in the Ordinances of said City, pursuant to California Government Code section 36506, and to perform other legally permissible and proper duties and functions as the **Community Development Director** shall from time to time be assigned. These duties may include tasks related to planning, housing, building, code compliance and economic development projects.

SECTION 2. TERM. This Agreement shall remain in effect through June 30, 2017, unless Employee's term of employment is terminated earlier as provided in this Section 2 or Section 3 of this Agreement, or by the voluntary resignation of Employee. Should Employee elect to resign, Employee shall provide Employer with thirty (30) days written notice prior to resignation.

For purposes of calculating the anniversary date for annual salary increases the date shall be March 14, 2011, his date of hire as Housing Program Director.

- a. **Termination from Employment; 90 Day Limitation on Termination and Severance Pay.** Except in the event of immediate termination for cause as a result of a conviction or a plea of no contest to a felony as stated in Section 2.b. of this

Agreement, below, the Community Development Director shall not be terminated from employment within the ninety (90) day period following the appointment of a new City Manager. The purpose of this provision is to allow any newly appointed City Manager to directly observe the actions and ability of the Community Development Director in the performance of the powers and duties of his office. In all other circumstances, the Community Development Director can be terminated from employment **with or without cause and for any reason (or no reason at all)** following two (2) weeks written notice from the City Manager, and without notice under Section 2.b. of this Agreement. In the case of employment termination prior to expiration of this Agreement the Community Development Director shall be entitled to receive severance in a lump sum and all unused vacation, and executive leave time, **as Employee's sole and exclusive remedy and right(s) to payment at employment termination.** "Severance" shall be paid according to the following schedule:

| <u>Years of Continuous Service</u> | <u>Severance Pay</u> |
|------------------------------------|----------------------|
| 0-1 year | 2 months salary |
| 1-2 years | 3 months salary |
| 2-3 years | 4 months salary |
| 3-4 years | 5 months salary |

b. **Severance Payment Exception.** Should the Community Development Director be terminated for cause or as a result of a conviction or plea of no contest to a felony no severance pay will be provided upon employment termination. If the Community Development Director voluntarily leaves employment with the City of Rio Dell or resigns, no severance pay will be provided upon separation.

SECTION 3. SUSPENSION OR REMOVAL. The Employee may be suspended, removed, or dismissed from the service of the City of Rio Dell at any time during the term of this Agreement pursuant to Section 2 above or to the provisions of any applicable City of Rio Dell Ordinances.

SECTION 4. DISABILITY. Employer may terminate Employee's employment if Employee suffers a disability that renders Employee unable, as determined in good faith by the City Manager, to perform the essential functions of the position, even with reasonable accommodation, for four months (twelve weeks) in any 12-month period. If Employee's employment is terminated under this Section 4, Employee shall be compensated for all accrued obligations through the termination date, which for purposes of this section shall be a date specified by the City Manager. Employer shall also pay to Employee a severance pay as set forth in Section 2 above. After the termination date, Employer shall not pay to Employee any other compensation or payment of any kind, or severance, or payment in lieu of notice. All benefits provided by Employer to Employee under this Agreement or otherwise shall cease on the Termination Date.

SECTION 5. SALARY. The Annual Salary for the Community Development Director shall be:

Contract Employees

| JOB TITLE | Salary Range | | | | |
|--------------------------------|--------------|--------|--------|--------|--------|
| | A | B | C | D | E |
| Community Development Director | 73,394 | 75,595 | 77,863 | 81,756 | 85,623 |

- Step A - Payable during first year of employment.
- Step B - Payable during second year of employment subject to performance.
- Step C - Payable during third year of employment subject to performance.
- Step D - Payable during fourth year of employment subject to performance.
- Step E - Payable during fifth year or more of employment subject to performance.

The City shall pay Community Development Director (a City employee) a payment of \$600.00 within the first two pay periods following approval of this agreement. This payment shall be subject to all standard payroll deductions. This payment shall not be considered an ongoing commitment.

The Community Development Director is limited to 32 hours per week of work. This arrangement can be altered by the mutual agreement of the City and the Employee.

SECTION 6. PERFORMANCE EVALUATION. The City Manager shall review and evaluate the performance of the Employee in February of 2013 and June of 2013 using such procedures as he/she determines appropriate. From time to time as may mutually be deemed appropriate, the City Manager and Employee shall define such goals and performance objectives in writing which are determined necessary for the proper operation of the Department and City. Such goals and performance objectives shall be considered as part of the annual performance review of Employee.

SECTION 7. HOURS OF WORK. It is recognized that Employee may be expected to work in excess of eighty (80) hours per pay period at the direction of the City Manager. Employee shall receive no overtime pay or compensatory time off other than eighty (80) hours of executive leave. Employer through the City Manager may accommodate a flexible schedule in the form of a modified work week and/or working from home so long as the City Manager determines that the needs of the City are adequately met.

SECTION 8. OTHER EMPLOYERS OR OUTSIDE ACTIVITIES. Employee agrees to remain in the exclusive employ of Employer and not to become employed by any other employer in other employment until termination of the employment relationship. The term "other employment" shall not be construed to include occasional teaching, writing, consulting, or military reserve service performed on Employees time off. Employees shall not spend more than four (8) hours per week in teaching, counseling, or other non-employer connected business without the prior written approval of the City Manager. Other non-employer connected business may include provision of planning consulting services provided such services are not performed in the City of Rio Dell or provided to individuals or organizations which have business interests in the City of Rio Dell.

SECTION 9. AUTOMOBILE. Employee's duties require that she/he shall have the use at all times during his/her employment with Employer an automobile to perform Employer's business. Employee's use of his/her private vehicle for City business shall be reimbursed to Employee at the current standard mileage rate as published by the United States Internal Revenue Service. Subject to the provisions of the City's separate Travel and Reimbursement Resolution, Employee shall be responsible for paying for all gas, maintenance, and repair of said automobile. Employee shall be responsible for paying for all liability, property damage, and comprehensive insurance on said automobile. Employee shall maintain a valid driver's license and maintain insurable driving status as defined by City's insurance coverage. Employee shall provide employer with a Department of Motor Vehicle H-6 report annually to verify minimum driving standards.

SECTION 10. VACATION, SICK LEAVE, HOLIDAYS, AND EXECUTIVE TIME.

For the health and welfare of its employees, it is the policy of the City of Rio Dell that employees be encouraged to use the vacation benefits granted by the City and shall take an annual vacation of at least 40 hours.

Employee will receive eighty (80) hours of executive leave each fiscal year in (2) installments; 40 hours on July 1 and 40 hours on January 1. The taking of vacation and executive leave time shall be coordinated with and approved by the City Manager, who shall not unreasonably withhold their approval.

Employee may cash out or utilize the Executive Time installment beginning July 1. Employee shall be paid on the first pay period of June for each calendar year during the term of this agreement for accrued Executive Leave that remains unused or unpaid during the previous (12) months.

Employees accrue a sick leave benefit of eight (8) hours each calendar month actually worked by Employee, and vacation time shall accrue in accord with the following schedule based on years of continuous employment service to the City:

| <u>Years of Continuous Service</u> | <u>Hours per Year</u> | <u>Accrual Max.</u> |
|------------------------------------|-----------------------|---------------------|
| One to three (1-3) | 80 hours | 120 hours |
| Four to ten (4-10) | 120 hours | 180 hours |
| Eleven to fifteen (11-15) | 160 hours | 240 hours |
| Sixteen to twenty (16-20) | 200 hours | 300 hours |

Employee shall also be entitled to the same paid holidays as the Rio Dell Employees' Association.

SECTION 11. ACCRUED VACATION LEAVE.

The amount of vacation time allowed to be accrued at the end of any pay period shall not exceed 1.5 times the annual amount of vacation time for the Employee's year of service stated in the schedule recited Section 10 (not to exceed a maximum of 300 hours). Upon reaching the applicable vacation accrual maximum in accordance with the schedule recited in Section 10, the employee will not earn or accumulate additional vacation time and shall be automatically cashed out of 40 hours of accrued vacation, to be paid in the next pay period.

Employees may elect to buy down their vacation accrual at any time, provided that they have scheduled a vacation leave with their department head or City Manager as appropriate or have taken their annual vacation and the balance in their vacation account will be at least 40 hours after the buy down.

SECTION 12. WORK RELATED EXPENSES REIMBURSEMENT

Employer agrees to reimburse the Employee such verifiable work related out-of-pocket expenses incurred by the Employee as approved by the City Manger. Employee shall submit an itemization schedule of his out-of-pocket expenses to the City Manager in writing in the form of a purchase order for payment. Employer also agrees to pay employee a monthly cell phone allowance to ensure employee is contactable at all times. Employee must maintain cell phone service. The City's cell phone policy established by separate Resolution of the City Council is applicable in all regards for Employee.

SECTION 13. MEDICAL AND DENTAL INSURANCE REIMBURSEMENT. Medical, Dental and Vision Insurance shall be provided for the Community Development Director as the City provides for other management positions. The contribution amount by the City shall be 100% of the premium costs for these benefits for the employee and 70% of the total premium costs for employee's dependents, depending on their age and status as a student as provided in the plan document. Should the City choose alternative medical coverage during the effective period of this Agreement, that alternative insurance shall be of equal or greater comprehensive coverage, than which is currently in place. Employees may elect to substitute compensation for health, dental, and vision insurance coverage. The level of compensation shall be \$125 per pay period for all health, vision and dental coverage, collectively. Proof of health insurance must be provided to employer.

SECTION 14. DEFERRED COMPENSATION. The Employer does not yet participate in and is not a party to the Public Employees Retirement System of the State of California. The Employer participates in a deferred Compensation Plan. The Employer shall contribute and pay an amount equal to twelve percent (12%) of the Employee's salary to the Deferred Compensation Plan to the extent accrued proportional to the amount of time worked during any given year.

SECTION 15. LIFE INSURANCE. A term life insurance policy in the amount of Seventy Five Thousand Dollars (\$75,000.00) shall be provided by the Employer for the Employee.

SECTION 16. AGREEMENT EFFECTIVE. This Employment Agreement shall become effective July 1, 2016 and shall remain in effect through June 30, 2017, subject to potential early termination under Sections 2 and 3 of this Agreement and changes pursuant to amendments or adjustments made at mutually agreed upon times throughout Employee's term of employment with Employer.

SECTION 17. INDEMNIFICATION. Employer shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action arising out

of an alleged act or omission occurring in the performance of Employee's duties as Community Development Director. Employer's indemnity obligation shall not apply to any claims or liabilities, of any type or nature, arising out of any intentional acts, criminal acts or willful misconduct of Employee.

SECTION 18. BONDING. Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 19. DUES AND SUBSCRIPTIONS. Employer agrees to budget and to pay for the professional dues and subscriptions of employee necessary to support growth, advancement and active communication for the good of the City. Employee shall distribute to and share with the City Manger written material and information distributed by the said associations.

SECTION 20. LICENSING AND TRAINING. Employer agrees to budget and pay for the professional licensing and continued education of Employee for training as necessary and approved by the City Manager.

SECTION 21. TRAVEL EXPENSES. Employer hereby agrees to budget for and to pay the travel and subsistence expenses of Employee for official and professional travel of Employee while on City Business, provided that the City Manager has first approved and authorized said travel and training expenses.

SECTION 22. ATTORNEY'S FEES. Should any litigation be commenced between the parties to this Agreement or the rights and duties of either relationship thereto, the prevailing party in such litigation shall be entitled in addition to such other relief as may be granted, to reasonable sum as and for attorney's fees which shall be determined by the court.

SECTION 23. OTHER TERMS AND CONDITIONS OF EMPLOYMENT. The City Manager may fix any such other terms and conditions of employment, not in conflict with City Ordinances, Rules or Policies, as he/she may determine from time to time, relating to the performance of Employee.

SECTION 24. NOTICES. Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

EMPLOYER

City of Rio Dell
Rio Dell City Hall
675 Wildwood Ave
Rio Dell, California 95562

EMPLOYEE

Kevin Caldwell
P.O. box 614
Miranda, California 95553

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written in the course of transmission in the United States Postal Service.

SECTION 25. GENERAL PROVISIONS

- A. The text herein shall constitute the Agreement between parties.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
- C. This Agreement shall become effective commencing immediately, subject to Section 17 above.
- D. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.
- E. This Agreement (including all Exhibits attached hereto) contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or amended except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein.

IN WITNESS WHEREOF, the City of Rio Dell has caused this Agreement to be signed and executed in its behalf by its City Manager, and the Employee has signed and executed this Agreement, both in duplicate.

EMPLOYEE

Kevin Caldwell 12/1/14
Kevin Caldwell Date
Community Development Director

EMPLOYER

Kyle Knopp Date
City Manager

Approved as to form:

Russ Gans, City Attorney Date