CITY OF BELVEDERE EMPLOYMENT CONTRACT BETWEEN THE CITY OF BELVEDERE AND ROBERT ZADNIK

This Employment Agreement (hereinafter referred to as "Agreement") is entered into on this day of 2022 2022, by and between the City of Belvedere (hereinafter referred to as "City") and Robert Zadnik (hereinafter referred to as "Employee") (collectively, the "Parties").

The Parties enter into this Agreement with the intent that the Employee shall be employed by the City in the position of City Manager. This Agreement is subject to approval at a regular meeting of the City Council in open session as required by Government Code section 54956. Under this Agreement, the City offers, and the Employee accepts, employment as the City Manager of the City.

- EFFECTIVE DATE. The effective date of this Agreement shall be June 17, 2022, and the Employee's first day of employment as City Manager shall be June 17, 2022.
- PERIOD OF EMPLOYMENT. Employee shall serve as an at-will employee of the City.
 Nothing in this Agreement, or in the City personnel rules, policies, procedures,
 ordinances, or resolutions, shall limit the rights of the City to treat Employee as an at-will
 employee.
- DUTIES. Employee shall perform the functions and duties of City Manager for the City
 as specified in the Belvedere Municipal Code, Administration Policy Manual, and shall
 perform such other duties and functions as the City Council may assign.
- 4. <u>COMPENSATION</u>. Employee shall receive an annual base salary of \$195,000.00 (One Hundred Ninety-five Thousand Dollars), or \$16,250 (Sixteen Thousand Two Hundred and Fifty Dollars) per month, which shall be paid on the same pay warrant schedule as other salaried employees of the City are paid. Employee shall be entitled to participate in all City benefit programs consistent with other management level employees. The City will provide Employee life insurance of \$100,000 during his employment with the City. On the first anniversary of the Effective Date (June 17, 2023), Employee's annual base salary will be adjusted to \$212,000 (Two Hundred Twelve Thousand Dollars) or \$17,667 Seventeen Thousand Six Hundred Sixty-seven Dollars) per month. Thereafter, the Employee's salary and other benefits shall be reviewed by the City Council in conjunction with an annual performance evaluation and may be adjusted to such extent as the City Council may determine desirable and appropriate to do, and subject to the requirements of AB 1344 regarding contracts for public employees.
- 5. <u>CAR ALLOWANCE/DEFERRED COMPENSATION</u>. The City agrees to provide Employee a car allowance in the form of \$417 gross payment per month, subject to tax and withholding. Employee may choose to forego all or part of the car allowance, in which case he may elect to place said amount in a deferred compensation account.
- HOURS OF WORK AND ADMINISTRATIVE LEAVE. Employee's position is fulltime. Employee shall not engage in any business, educational, professional, charitable, or

other activities that would conflict or interfere with the performance of City Manager duties, except as may be specifically authorized by the City Council. Employee shall work a minimum of forty (40) hours per week, based on a standard work week designated as Monday through Friday, except that Employee may work a 9/80 or other flexible schedule. On-site presence is preferred by City, but flexibility in work location is provided, particularly when City offices are closed to the public. Employee shall spend sufficient hours on site, e.g., on City property, to fully perform the duties of the position. Employee shall not be eligible for overtime or compensatory time off. Employee shall be entitled to 80 (Eighty) hours of Administrative Leave per calendar year. In 2022, Employee's Administrative Leave shall be prorated based on the number of months of Employee's employment as City Manager during 2022, except that any administrative leave balance remaining in Employee's account as of the Effective Date may be retained by Employee for the remainder of the calendar year. Administrative leave shall not accrue from one year to the next year. Administrative leave cannot be cashed out upon separation or other departure from the City.

- 7. <u>VACATION AND LEAVE BANK</u>. Employee shall be entitled to accrue vacation time at a rate of 13.33 hours per month. If the Employee has accrued vacation time, he may have the option to cash out up to 80 hours of accrued vacation time each year. Any vacation time balance remaining in Employee's account on Effective Date, shall be retained by Employee.
- 8. PROFESSIONAL AND CIVIC MEMBERSHIP DUES, SUBSCRIPTION, AND RELATED MEETINGS, MOBILE TELEPHONE, AND LAPTOP COMPUTER. In recognition of the need for Employee to remain current in his profession, particularly in those areas directly related to the City and its business, and to encourage the Employee's active involvement in local community affairs so as to better understand the current needs and desires of the Belvedere community, the City shall include in its annual budget a reasonable amount for membership dues, trainings, subscriptions, conferences, and related meetings of professional and community organizations, inclusive of reasonable travel related expenses, taking into due consideration Employee's requests as well as the financial condition of the City. The City shall pay for Employee's membership in the International City Managers Association. Employee shall be entitled to a monthly stipend of \$50 (Fifty Dollars) for his use of his personal mobile phone for City business or shall be provided with a City-owned phone for business use. Employee shall also be provided with a laptop computer and other technological equipment needed to perform work for the City. Any City-owned equipment shall be returned to the City upon the conclusion of Employee's employment with the City.
- 9. <u>RETIREMENT</u>. Employee shall be enrolled in the State of California Public Employees' Retirement System (PERS) in the category of "Classic" under PEPRA and will be covered under the PERS 2% at 55 Plan. The City shall pay the Employee's portion of the PERS contribution. The Employee shall pay the same percentage of the Employee portion as is paid by other PERS Classic employees of the City.

10. <u>PERFORMANCE EVALUATION</u>. Not less than once per year, the City Council shall review and evaluate the performance of Employee. Failure of the City to provide a performance evaluation shall not limit the City's ability to terminate this Agreement or the employment of the Employee.

11. <u>TERMINATION OF EMPLOYMENT AND THIS AGREEMENT: GENERAL RELEASE; SEVERANCE</u>

A. At will Employment.

Employee expressly understands that the position of City Manager is an "at will" employee of the City serving at the pleasure of the City Council as provided in Government Code section 36506 and Municipal Code section 2.04.010. The City Council may remove the Employee at any time, with or without cause, by a majority vote of its members. Notice of termination shall be provided to the Employee in writing.

B. Removal Without Cause,

If City terminates this Agreement (thereby terminating Employee's employment) without cause, as determined by the affirmative votes of a majority of the members of the City Council at a regular meeting of the City Council, and if Employee signs, delivers to the City Council, and does not revoke, the General Release Agreement ("Release Agreement") in the form attached bereto as Exhibit A, City shall pay Employee a lump sum benefit equal to three months of his then base salary, subject to taxes, withholding and/or applicable contributions. On November 8, 2022 and until June 17, 2023, the amount of severance shall be increased to a lump sum benefit equivalent to four and a half months of his base salary, subject to taxes, withholding and/or applicable contributions. On June 17, 2023, and thereafter, the amount of severance shall be increased to a lump sum benefit equivalent to six months of his base salary, subject to taxes, withholding and/or applicable contributions.

C. Removal for Cause.

If City terminates this Agreement (thereby terminating Employee's employment) with Cause, as determined by the affirmative votes of a majority of the members of the City Council at a meeting of the City Council, Employee shall not be entitled to any additional compensation or payment, including Severance, but shall be entitled only to accrued Base Salary and vacation pay, and any other accrued and unused benefit allowances according to their terms ("Accrued Salary and Benefits"). As used in this Agreement, Cause shall only mean any of the following:

- Conviction of, or plea of guilty or nolo contendre to, any crime or
 offense (other than minor traffic violations or similar offenses) that is
 likely to have a material adverse impact on the City or on the
 Employee's reputation;
- 2. Proven failure of the Employee to observe or perform any of his duties and obligations, if that failure continues for a period of thirty (30) business days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure;

- 3. Conviction of any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4, or moral torpitude;
- 4. Repeated failure to carry out a directive or directives of the City Council made by the City Council as a body at a Brown Act- compliant meeting; and
- 5. Any grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of City or its organizational units; (b) is detrimental to employees or public safety; or (c) violates City's properly established rules or procedures,

D. Abuse of Office or Position.

If Employee is convicted of a crime involving an abuse of his office or position or moral turpitude, all of the following shall apply: (a) if Employee is provided with paid administrative leave pending an investigation, Employee shall be required to fully reimburse City such amounts paid; (b) if City pays for the criminal legal defense of Employee (which would be in its sole discretion, as it is generally not obligated to pay for a criminal defense), Employee shall be required to fully reimburse City such amounts paid; and (c) if this Agreement is terminated, any Severance related to the termination that Employee may receive from City shall be fully reimbursed to City shall be void if not yet paid to Employee. For purposes of this Section, abuse of office or position means either an abuse of public authority, including waste, fraud, and violation of the law under color of authority, or a crime against public justice.

- 12. PROPRIETARY INFORMATION, "Proprietary information" is all information and any idea pertaining in any manner to the business of City (or any City affiliate), its employees, clients, consultants, or business associates, which was produced by any employee of the City in the course of his or her employment or otherwise produced or acquired by or on behalf of City. Proprietary Information shall include, without limitation, trade secrets, product ideas, inventions, processes, formulae, data, know-how, software and other computer programs, copyrightable material, marketing plans, strategies, sales, financial reports, forecasts, and customer lists. All Proprietary Information not generally known outside of City's organization, and all Proprietary Information so known only through improper means, shall be deemed "Confidential Information." During his employment by City, Employee shall use Proprietary Information, and shall disclose Confidential Information, only for the benefit of City and as is or may be necessary to perform his job responsibilities under this Agreement. Following termination, Employee shall not use any Proprietary Information and shall not disclose any Confidential Information, except with the express written consent of City. Employee's obligations under this Section shall survive the termination of his employment and the expiration of this Agreement.
- 13. <u>NOTICES</u>. 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, and or at the last known address

maintained in Employee's personnel file. Employee agrees to notify City in writing of any change in his address during his 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 Belvedere 450 San Rafael Avenue Belvedere, CA 94920

Employee's Notice:
Robert Zadnik
Hand-delivered or to current residence as noted in personnel file

- 14. <u>ACTION BY CITY</u>. All actions required or permitted to be taken under this Agreement by City including, without limitation, exercise of discretion, consents, waiver and amendments to this Agreement, shall be made and authorized only by the City Council or its authorized designee.
- 15. <u>INTEGRATION</u>. 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 his employment with the City, and it may not be contradicted by evidence of any prior to contemporaneous statements or guarantee(s).
- 16. <u>AMENDMENTS</u>. This Agreement may not be amended except in a written document signed by each of the parties hereto. Failure to exercise any right under this Agreement shall not constitute a waiver of any such or other rights of the parties hereto.

17. ENFORCEMENT OF AGREEMENT.

a. The prevailing party in any action brought to enforce this Agreement, or to resolve any dispute or controversy arising under its terms and conditions, shall be entitled to payment of his or its reasonable attorneys' fees and costs.

CITY_OF BELVEDERE

Sally Wilkinson, Mayor

Dated:

<u>EMP</u>LOYEE

Robert Zadnik

ATTEST

Beth Haener, City Clerk

5/2/2022

5/11/2022

Dated:

APPROVED AS TOFORM

Amy Ackerman, City Attorney

GENERAL RELEASE

This General Release Agreement ("Release Agreement") is entered into by and between Robert Zadnik ("Manager") and CITY OF BELVEDERE ("City"), in light of the following facts:

Α.	Manager's emp	loyment with	City concluded on	
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- Certain disputes have arisen between City and Manager.
- C. City and Manager each deny any liability whatsoever to the other.
- D. City and Manager wish to fully and finally resolve any and all disputes they may have with each other.
- E. Manager is hereby informed that he has twenty-one (21) days from receipt of this Agreement to consider it. City hereby advises Manager to consult with his legal counsel before signing this Agreement.
- F. Manager acknowledges that for a period of seven (7) calendar days following the signing of this Agreement ("Revocation Period"), he may revoke the Agreement. This Agreement shall not become effective or enforceable until the day the Revocation Period has expired.
- G. Manager acknowledges that the Salary Payment referenced in paragraph 1 of this Agreement represents all compensation, including salary, accrued benefit balances and reimbursed expenses, due and payable to him through the date of employment termination. Manager also acknowledges that City has made this Salary Payment without regard to whether he signs this Agreement. The Salary Payment does not constitute consideration for this Agreement.
- I. Receipt of Salary Payment. Manager hereby acknowledges receipt of a check or checks for all compensation owing to him, including salary, accrued benefit balances and reimbursed expenses ("Salary Payment") from City.
- 2. <u>Severance</u>. Within five (5) days following Manager's signing, delivering to the City, and not revoking this Agreement, City shall pay Manager the gross amount provided for in Section 11.B of the attached Employment Agreement, less applicable deductions. Manager acknowledges that the Severance is in excess of all amounts due and owing him as a result of his employment by City.
- 3. <u>General Release</u>. In consideration of the Severance to be paid and provided to Manager, and other good and valuable consideration, Manager hereby releases and discharges City and its past and present City Council Members, employees, representatives and

agents, from all rights, claims, causes of action, and damages, both known and unknown, in faw or in equity, concerning and/or arising out of his employment by City which he now has, or ever had, including but not limited to any rights, claims, causes of action or damages arising under Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Employee Retirement Income Security Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefits Protection Act, the Family and Medical Leave Act of 1993, the Domestic Partners Act of 2003, the California Labor Code, the Private Attorneys General Act of 2004, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, any other federal, state, or local employment practice legislation, or any federal or state common law, including wrongful discharge, breach of express or implied contract, or breach of public policy.

Manager hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. Manager understands and acknowledges the significance and consequences of this specific waiver of Section 1542. Section 1542 of the Civil Code of California states as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of City and its past and present City Council Members, employees, representatives and agents, Manager expressly acknowledges that this General Release is intended to include in its effect, without limitation, all claims which he does not know or suspect to exist in his favor.

Manager further acknowledges that he has read this General Release and that he understands that this is a general release, and that he intends to be legally bound by the same.

4. <u>Fees and Costs</u>. Manager and City agree that in the event of litigation relating to this Release Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs

Dated:, 20	By:	
· · · · · · · · · · · · · · · · · · ·	Мауог	
Dated:, 20	Ву:	
	Мападег	
APPROVED AS TO FORM:	ATTEST:	
Ву:	Ву:	
Amy Ackerman, City Attorney	Beth Haener, City Clerk	
Date:	Date:	