

INSURANCE NOT REQUIRED  
 WORK MAY PROCEED  
 CLERK OF COUNCIL  
 DATE: APR 30 2019

## CITY OF SANTA ANA

## CITY MANAGER EMPLOYMENT AGREEMENT

This City Manager Employment Agreement ("Agreement") is entered into as of the 19th day of March, 2019 (the "Effective Date"), between the City of Santa Ana (hereinafter referred to as the "City") and Kristine Ridge (hereinafter referred to as the "City Manager" or the "Employee"). City and City Manager/Employee are sometimes referred to in this Agreement as "Party" and collectively as "Parties."

RECITALS

WHEREAS, the City Council of the City desires to appoint and employ Employee as City Manager pursuant to the Charter of the City of Santa Ana ("City Charter"), and

WHEREAS, the Employee desires to accept the appointment as the City Manager of the City, and

WHEREAS, it is the desire of the City Council and Employee to set forth certain benefits, establish certain conditions of employment and to set certain working conditions of the City Manager in an Employment Agreement.

NOW, THEREFORE, the above named Parties hereby mutually agree and promise as follows:

1. Appointment and Term.

A. City hereby appoints and retains Kristine Ridge to serve as City Manager of the City of Santa Ana and Kristine Ridge hereby accepts such employment with City beginning on May 1st 2019, and continuing until City Manager or City Council terminates this Agreement pursuant to Section 9 below.

B. The Term of this Agreement shall be for three years, commencing on May 1st, 2019 and ending on April 30th, 2022, unless extended or terminated as provided herein. On April 30th, 2020, and annually on each succeeding April 30th while this Agreement is effective, the Term of this Agreement shall be automatically extended for one additional year. For example, on April 30th 2020 the Term of this Agreement shall be automatically extended until April 30<sup>th</sup> 2023; on April 30th 2021 the Term of this Agreement shall be extended until April 30th, 2024; and so on, unless prior to such date by a majority vote of the total membership of the City Council in attendance at a lawfully called meeting, the City Council takes formal action to declare its intention to not extend this Agreement for one additional year. Any such decision by the City Council to not extend the Term by one additional year shall constitute a termination of this Agreement effective upon completion of the remaining two year term.

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 D. CAO (0)  
 Laura Rossi

**2. Compensation.**

**2.1 Annual Salary**

City agrees to pay City Manager, and City Manager agrees to accept from City, as compensation for services rendered by City Manager pursuant to this Agreement, an annual salary, commencing on the Effective Date, in the amount of two hundred and eighty thousand dollars (\$ 290,000.00) (hereinafter "Annual Salary"), payable in installment payments in the same manner and at the same times as salaries of other executive managers of the City are paid.

**2.2 Benefits**

**2.2.1 Employee Benefits**

Except as otherwise expressly provided for in this Agreement (ie. sick leave, vacation, car allowance, 457 deferred compensation), City Manager shall be entitled to receive the same benefits provided to other Executive Management employees pursuant to Resolution No. 2015-026, as may be amended from time to time by the City Council. These benefits include, but are not limited, to health insurance (medical, dental, vision), holidays, retiree health savings plan, and disability insurance, and bereavement leave.

**2.2.3 Sick Leave Bank**

Upon employment with the City, City Manager shall be provided a bank of 40 hours of Sick Leave.

**2.2.4 Sick Leave Accrual**

City Manager shall accrue 8 hours of sick leave per month.

**2.2.5 Vacation Allowance**

Upon employment with City, City Manager shall be provided a bank of 80 hours of vacation leave and shall accrue at a monthly rate equal to 160 hours per year.

**2.2.6 CalPERS Membership**

As a classic member under CalPERS, City Manager will be enrolled in the 2.7% at age 55 benefit formula and shall be responsible for paying the corresponding employee contribution per Cal PERS requirements as they exist today or as may be amended by the legislature. As of the effective date of this Agreement the applicable contribution rate for miscellaneous classic members is 8%.

### 2.2.7 Life Insurance

City will purchase life insurance for City Manager in the amount of five hundred thousand dollars (\$500,000).

### 2.2.8 Deferred Compensation (457 Plan)

City agrees to provide a Section 457 deferred compensation program for City Manager and to pay the maximum IRC 457 (b) normal contribution limit per year (prorated for 2019) into such program for City Manager's benefit. Payments shall be divided and deposited on City Manager's behalf for each pay period. The normal contribution limit is currently \$19,000.

## 3. Performance Evaluation.

The Mayor and the City Council are responsible for setting performance goals on an annual basis in consultation with the City Manager. The City Council shall review and discuss City Manager's performance in or around July of each year commencing in 2019. However, Employee acknowledges and accepts the fact that the City Council as Employer has the right to schedule and an evaluation session at any time in accordance with the notice and all other requirements of the Brown Act. As a result of the performance evaluation and at the City Council's sole discretion, the City Council may provide a salary increase and/or performance bonus.

## 4. Bonds.

City shall bear the full cost of any fidelity or other bonds required of City Manager under any law or ordinance.

## 5. Transportation and General Business Expenses.

### 5.1 Vehicle Provision

City shall provide City Manager with a vehicle, as well as fuel, maintenance and liability insurance for said vehicle, for City Manager's use in commuting, in the performance of her employment duties and for incidental personal use, or in the alternative, a monthly allowance of \$500.

### 5.2 General Business Expenses

A. City agrees to budget and pay for professional dues and subscriptions for City Manager necessary for her continuation and participation in national, regional, state and local boards, task-forces, conferences and meetings, associations and organizations desirable for City Manager's continued participation, professional growth, and advancement, and for the benefit of the City.



8. Duties, Acceptance of Appointment, Hours of Work, Regional Liaison.

8.1 Duties

City hereby agrees to employ Employee as City Manager of the City of Santa Ana to perform the functions and duties specified in the City Charter of the City of Santa Ana, and to perform such other legally permissible duties and functions as the City Council may from time to time assign.

8.2 Acceptance of Appointment

Employee hereby accepts the appointment as City Manager of the City of Santa Ana subject to all terms and conditions set forth in this Agreement.

8.3 Hours of Work

It is recognized that City Manager devotes a great deal of time outside the normal City Hall office-hours schedule, and to that end, City Manager shall be allowed to establish her work schedule, taking into consideration that she is responsible for the supervision of employees and has responsibilities to serve all departments of the City.

9. Termination.

9.1 Government Code 53260(a) Disclosure.

Government Code section 53260(a) provides that all City employment agreements shall include this disclosure that regardless of the term of the employment agreement, if the agreement is terminated, the maximum cash settlement that an employee may receive shall be an amount equal to the monthly salary of the employee multiplied by the number of months left on the unexpired term of the agreement. However, if the unexpired term of the agreement is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18.

9.1 Termination – Without Cause

The City Council may, in its absolute discretion, terminate the City Manager without cause or reason such termination would be effective upon completion of the term of this Agreement as stated in Section 1(B). To terminate the City Manager the termination must be approved by at least two-thirds (2/3) of the members of City Council at a regular meeting held in accordance with the Ralph M. Brown Act (California Government Code Section 54950 et seq.). The City Manager acknowledges the provisions of Section 500 of the Santa Ana City Charter pertaining to notice and adoption of a Resolution and notwithstanding such provisions agrees the

City Council is not required to provide a notice of causes or reasons for termination and is not required to provide any type of hearing regarding termination.

## 9.2 Termination - Change in Form of Government

If any of the governing policies pertaining to the role, power, duties, authority, or responsibilities of City Manager are amended to substantially change City's form of government, either by action of the City Council, a duly passed initiative measure or state legislation, City Manager shall have the right to terminate the Agreement.

## 9.3 Reduction of Salary or Benefits

If the City Council reduces the Annual Salary or any other financial benefit of the City Manager in a percentage that is greater than the average reduction of base salary for all executive directors of the City, the City Manager shall have the right to terminate this Agreement.

## 9.4 Resignation

City Manager may voluntarily terminate this Agreement, after giving City at least sixty (60) days written notice prior to the effective date of such resignation, unless such notice is waived in whole or part by the City Council. In the event the City Manager resigns from her employment with City, the City Manager shall not be entitled to any pay or benefits with exception of those which have been lawfully accrued and are payable under the City's existing policies.

## 9.5 Mutual Agreement

This Agreement may be terminated without regard to Section 1(B) upon mutual agreement in writing by the Parties.

## 9.6 Termination for Cause

Notwithstanding any provision of this Agreement or the Santa Ana City Charter to the contrary, City may terminate City Manager's employment for cause at any time and without prior notice. "Cause" shall include the following reasons:

(a) Conviction of a crime, whether misdemeanor or a felony, involving moral turpitude. For purposes of this paragraph, a plea of nolo contendere shall also be considered a conviction.

(b) City Manager is determined by a court of competent jurisdiction or the State of California Fair Political Practices Commission to have knowingly and unlawfully participated in a governmental decision in which he had a conflict of interest as defined in Government Code Section 87100, *et seq.* or Government Code Section 1090 *et seq.*

(c) Failure to follow a lawful directive of the Council after written notice of said failure is provided to City Manager approved by four (4) or more affirmative notes of its seven (7) members.

(d) Continued abuse of drugs or alcohol that materially affects the performance of the

City Manager's duties.

(e) Repeated and protracted unexcused absences from the City Manager's office and duties.

(f) Violation of any provision of ICMA Ethics for which ICMA has sanctioned City Manager.

## **10. General Provisions.**

10.1 This writing constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior oral or written representations or written agreements on the subject matter hereof, which may have been entered into between the parties. No modification or revision to this Agreement shall be of any force or effect, unless the same is in writing and executed by the Parties hereto.

10.2 Each Party agrees and acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not embodied herein and that any agreement, statement, or promise not contained in this Agreement shall not be valid or binding on either Party.

10.3 If any provision, or portion thereof, contained in the 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.

10.4 This Agreement shall be governed by and construed in accordance with the law of the State of California.

10.5 This Agreement shall be construed as a whole, according to its fair meaning, and not in favor or against any Party. By way of example and not in limitation, this Agreement shall not be construed in favor of the Party receiving a benefit nor against the Party responsible for any particular language in this Agreement.

10.6 Employee acknowledges that she has had an opportunity to consult legal counsel in regard to this Agreement, that she has read and understands this Agreement, that she is fully aware of its legal effect, and that she has entered into it freely and voluntarily and based on her own judgment and not on any representations or promises other than those contained in this Agreement.

## **11. Communications in the Event of Termination.**

11.1 In the event the City terminates Employee for any reason or no reason, the City and Employee agree that no member of the City Council or City employees acting on behalf of the City shall make any written, oral, or electronic statement to any member of the public, the press, or any city employee concerning the Employee's termination except in the form of a joint press release or statement, which is mutually

agreeable to the City and the Employee. The joint press release or statement shall not contain any text or information that is disparaging to either Party. Either Party may verbally repeat the substance of the joint press release or statement in response to any inquiry.

## **12. Indemnification.**

12.1 City shall defend, hold harmless and indemnify City Manager against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of City Manager's duties or resulting from the exercise of her judgment or discretion in connection with the performance of her duties. City shall not unreasonably refuse to provide for legal representation at City's expense. Legal representation, provided by City for City Manager, shall extend until a final determination of the legal action including any and all losses, damages, judgments, interests, settlements, fines, court costs, and the reasonable costs and expenses of legal proceedings, including appeals, and including attorneys' fees, and expert witness fees and all other trial and appellate costs, and other liabilities incurred, imposed upon, or suffered by such City Manager in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of City Manager's duties.

12.2 City agrees to pay all reasonable litigation expenses of City Manager throughout pendency of any City-related litigation to which City Manager is a party, witness or advisor to the City. Such expense payments shall continue beyond City Manager's employment with the City as long as litigation is pending. Post-employment, City agrees to pay City Manager for reasonable consulting fees, travel expenses and other costs, when City Manager serves as a witness, advisor or consultant to City regarding pending litigation.

## **13. Confidentiality.**

City Manager acknowledges that in the course of her employment contemplated herein, City Manager will be given or will have access to confidential and proprietary documents and information relating to the City, its residents, businesses, employees, and customers ("Confidential Information"). Such Confidential Information may include, but is not limited to, all information given to or otherwise accessible to City Manager that is not public information or would be exempt from public disclosure as confidential, protected, exempt, or privileged information. City Manager shall hold the Confidential Information in trust for the City's benefit and shall not disclose the Confidential Information to others without the express written consent of the City. All Confidential Information shall be promptly returned to the City immediately upon the effective date of any termination or resignation.

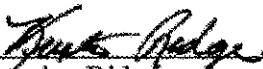
## **14. Enforcement.**

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




IN WITNESS WHEREOF, the Parties have executed this City Manager Employment Agreement as of the 30 day of April, 2019.

**EMPLOYEE/CITY MANAGER**

  
\_\_\_\_\_  
Kristine Ridge


**CITY OF SANTA ANA**

  
\_\_\_\_\_  
Miguel A. Pulido  
Mayor

**Approved as to Form:**

  
\_\_\_\_\_  
Sonia R. Corvalan  
City Attorney

**ATTEST:**

  
\_\_\_\_\_  
Norma Mitre  
Acting Clerk of the Council

