

CITY MANAGER EMPLOYMENT AGREEMENT

THIS AGREEMENT is between the City of San Bernardino, a municipal corporation (the “City”) and [Name to be Disclosed Upon Announcement of Appointment] (“Employee”). It is effective as of June 4, 2025 (the “Effective Date”). City and Employee are sometimes referred to in this Agreement as “Party” and collectively as “Parties.”

This Agreement is entered into on the basis of the following facts, among others:

- A. Employee has served as a city manager to various cities and has many years of experience as a city manager.
- B. Employee desires to serve as City Manager for the City of San Bernardino (City) .
- D. The City Council of the City desires to appoint Employee as the City Manager of the City, and Employee desires to accept this appointment.
- E. The City and Employee desire to establish specific terms and conditions relating to compensation and benefits, performance evaluations, and related matters.

BASED UPON THE FOREGOING, THE CITY AND EMPLOYEE AGREE AS FOLLOWS:

1. Employee Appointed. The City appoints and employs Employee as City Manager, effective as of June 4, 2025 and Employee accepts the appointment and agrees to begin his employment for compensation, effective August 4, 2025.

2. Duties of Employee. Employee shall perform the duties established for the City Manager by State law, the City Charter of the City of San Bernardino, the San Bernardino Municipal Code, San Bernardino Policies and Regulations and the directions of the City Council, or as otherwise provided by law, ordinance, or regulation. By direction of the City Council and until further notice, the City Manager’s duties also include serving as the Executive Director of the Successor Agency to the City of San Bernardino Redevelopment Agency and any similar City of San Bernardino agencies, if any. In accordance with City procedures, Employee shall account for their time expended on behalf of said agencies in order for the City to be reimbursed for Employee’s services. It is expected that City Manager shall abide by the ICMA Code of Ethics.

(a) Full Energy and Skill. Employee shall faithfully, diligently, and to the best of Employee’s abilities, perform all duties that may be required under this Agreement. Employee agrees that Employee has a duty of loyalty and a general fiduciary duty to the City. Employee shall devote the whole of Employee’s working time, skill, experience, knowledge, ability, labor, energy, attention and best effort exclusively to the City’s business and affairs.

(b) No Conflict. Employee shall not engage in any employment, activity, consulting service, teaching, other enterprise, or community activities, for compensation

or otherwise, which is actually or potentially in conflict with, inimical to, or which interferes with the performance of Employee's duties. Further, Employee shall not, during the term of this Agreement, individually, as a partner, joint venture, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of the City of San Bernardino.

(c) Outside Activities. The City Manager shall not spend more than eight (8) hours per month in teaching, consulting, expert witness testimony, speaking, or other non-City connected business for which compensation is paid without express prior consent of the City Council. City Manager will take personal leave (i.e., vacation time) for all outside activities of this nature.

(d) Hours of Work. The City Manager is an exempt employee and is expected to engage in those hours of work that are necessary to fulfill the obligations of the City Manager's position. Employee does not have set hours of work, as the City Manager is expected to be available at all times, other than when on vacation. It is recognized that Employee must devote a great deal of time to the business of the City outside of the City's customary office hours, and to that end Employee's schedule of work each day and week shall vary in accordance with the work required to be performed and in accordance with any specific direction provided by the City Council.

(e) Proximity to City. In order to facilitate Employee's ability to carry out the responsibilities set forth in this Agreement, City desires, and Employee agrees, that during the term of this Agreement, he shall reside within a sixty mile radius of the City's Emergency Operations Center.

3. Term. City agrees to employ and Employee accepts employment with the City under the terms of this Agreement for a five-year term from August 4, 2025 through August 4, 2030 (five years), unless extended or terminated as provided herein. On August 4, 2026, and on each succeeding August 4th while this Agreement is in effect, this Agreement shall be automatically extended for one additional year (i.e., in 2026 the Term of this Agreement shall be extended until August 4, 2031, in 2028 the Term of this Agreement shall be extended until August 4, 2032, and so on) unless prior to such date by a vote of five members of the Mayor and City Council in attendance at any lawfully called meeting, City declares its intention not to extend this Agreement for one additional year. Such decision shall not constitute a termination for purposes of Section 8 of this Agreement.

4. Semi-Annual Evaluations and Performance Goal Setting. Six months from the Effective Date of this Agreement and each six months thereafter, or at a time mutually agreed upon by the City Council and Employee, the City Council shall conduct an evaluation of Employee's performance and provide guidance and direction regarding the City Council's goals and objectives which Employee shall be tasked with implementing. This review shall be conducted in a mutually agreed upon manner consistent with best practices for executive evaluations. If both the City and Employee agree to utilize a facilitator, Employee and the City Council, by a majority vote, shall agree upon the facilitator. Employee shall be provided a written report of the Council's evaluation and shall be given the opportunity to confidentially discuss the evaluation with the Council in accordance with the Brown Act. Nothing in this paragraph prohibits

the City Council from providing informal feedback to Employee regarding his performance at times selected by the Council.

Expectations and performance goals are set forth in Exhibit A to this Agreement and incorporated herein by reference. Within 90 days of the Effective Date of this Agreement, the City Council and Employee agree to hold a closed session evaluation to establish further expectations and performance goals for Employee. The expectations and performance goals shall be updated after each evaluation.

5. Compensation.

(a) Salary. Employee shall receive the Annual Base Salary of Three Hundred Thirty Three Thousand Dollars (\$333,000), payable in this Agreement on a pro-rata basis in the same manner as all full-time City employees, and subject to all applicable payroll taxes and withholdings.

(b) Annual Salary Adjustments. Commencing August 4, 2026 and each year thereafter, said Annual Base Salary shall be automatically increased by the percentage change to the Consumer Price Index for All Urban Consumers (CPI-U) for the Riverside-San Bernardino-Ontario area for the preceding 12 months ending in July (subject to a (three percent) 3% maximum cap) (“CPI Increase”).

(c) Any salary adjustment shall be memorialized by a written amendment to this Agreement. An automatic increase adjustment shall be in writing as an amendment to this Agreement and shall be signed by the Finance Director, the Human Resources Director and the City Attorney. Any salary adjustment that exceeds the amount provided for in Section 5 (b) above shall be in the form of a written amendment approved by a vote of five members of the Mayor and City Council and announced at a properly noticed public meeting of the Mayor and City Council.

(d) Reduction in Salary or Benefits. In the event the City implements cost-saving measures, such as work furloughs, salary reductions, changes to health or welfare benefits and allowances (as further described in Section 6), or any other changes to the monetary terms of the Executive Group as provided in the applicable benefit summary, Employee will receive the same downward adjustment or adhere to the change in terms as are applicable to the Executive Group. In the event that such cost-saving measures are subsequently eliminated (i.e. former salary or benefit levels are restored) for the Executive Group, Employee will receive the same restoration of salary or benefits as the Executive Group.

6. Regular Benefits and Allowances. Employee, who is a PEPRA member under CalPERS regulations, will be eligible for, and shall receive, all regular health and welfare benefits (e.g., insurance, CalPERS retirement and contributions paid by the City, education

reimbursement, etc.) as are provided to employees Executive Compensation and Benefits Plan approved by Resolution No. 2022-59 (as amended by the Side Letter executed October 18, 2022), as the same may be modified from time to time after the date of this Agreement, including but not limited to CalPERS retirement benefits, health insurance, disability and life insurance, holidays, administrative leave, vacation leave, executive leave, and sick leave, unless otherwise expressly provided for in this Agreement. In the event the City Manager's employment is terminated, either voluntarily or involuntarily, the City Manager shall be compensated for accrued leave in accordance with the Executive Compensation and Benefits Plan, unless otherwise expressly provided for in this Agreement. To the extent there is any inconsistency between the benefits set forth in the referenced Resolution and this Agreement, the terms of this Agreement shall control.

7. Additional Benefits and Allowances. In addition to the benefits specified in Section 6, Employee shall receive the following additional benefits and allowances.

(a) Vacation; Administrative Leave; Sick Leave; Holidays.

(i) Vacation. On the first full pay period after the Effective Date of this Agreement, Employee shall be granted one hundred and twenty (120) vacation hours. Further, based on his years of service as a city manager, Employee shall accrue vacation hours at 7.307 per pay period and otherwise in accordance with the Executive Compensation and Benefits Plan.

(ii) Sick Leave. On the first full pay period after the Effective Date of this Agreement, Employee shall be granted eighty (80) hours of sick leave. In accordance with California law, Employee shall be allowed to accrue and use paid sick leave and be absent from work because of personal illness/injury or the illness/injury of covered family members (as identified in California Labor Code). Sick leave includes attendance at doctor's appointments, related medical activities, or other reasons allowed by applicable law. Employee shall accrue and use sick leave in the same manner and in the same amount as that provided to employees in the Management Group.

(iii) Holidays. Employee shall be eligible for holidays with pay as a non-safety management employee as set forth in the Executive Compensation and Benefits Plan.

(iv) Administrative Leave. On the first full pay period after the Effective Date of this Agreement, Employee shall be granted eighty (80) hours of administrative leave to be used at Employee's discretion, subject to the fulfillment of Employee's duties. Further, based on his years of service as a city manager, Employee shall accrue administrative leave at 8.46 hours per pay period and otherwise in accordance with the Executive Compensation and Benefits Plan.

(b) Automobile. Employee's duties require that he have the use of a personal automobile at all times during his employment with the City. In recognition of that fact, Employee shall receive a car allowance of Seven Hundred Seventy Five Dollars (\$775.00) per month paid increments each pay period or as otherwise provided for in the Executive Compensation and Benefits Plan. The parties intend for this taxable allowance to be in lieu of reimbursement on an itemized basis for mileage, gas, insurance, maintenance of a vehicle, etc.

Employee is not eligible for and shall not be separately reimbursed for mileage driven in his personal vehicle; provided, however that the Employee may seek reimbursement for mileage driven in his personal vehicle in cases where the mileage exceeds 250 miles and the reimbursement costs are lower than the published airfare for the same travel. Employee shall be responsible for maintaining liability, property and comprehensive insurance on his personal vehicle.

(c) Deferred Compensation. Subject to any limitations imposed by law and by the City's 457 plan, the City will contribute, on Employee's behalf, one thousand dollars (\$1,000.00) each month to Employee's deferred compensation account.

(d) Moving Expense. As an incentive, if Employee moves establishes residency within the boundaries of the City of San Bernardino within one year of the Effective Date of this Agreement, the City shall, upon proof of establishment of residency as demonstrated by a change of voter registration, an address on a California driver's license or proof of residential utilities in his name at an address within the City, pay Employee six thousand dollars (\$6,000) as reimbursement of moving expenses.

8. Termination of Employment.

(a) No Property Interest. Employee understands and agrees that Employee has no constitutionally-protected property or other interest in Employee's employment as City Manager. Employee understands and agrees that Employee works at the will and pleasure of the Mayor and City Council and is expected to work for elected members without taking direction from any one member or the elected Mayor, and that Employee may be terminated, or asked to resign, at any time, with or without cause, by motion adopted by five (5) affirmative votes of the Mayor and City Council in accordance with the City Charter. Any such notice of termination shall be given to Employee in writing.

(b) Notice Required for Resignation. Employee may voluntarily terminate employment at any time by giving not less than sixty (60) days' notice.

(c) Severance. If Employee is asked to resign and resigns as a result or is terminated without cause as City Manager, then Employee shall be paid for any accrued, but unused, vacation and administrative leave, but not accrued sick leave. Employee shall also be paid a cash payment equivalent to the sum of Employee's then-current monthly base salary multiplied by nine (9) months. Eligibility for severance benefits is expressly conditioned upon Employee's execution of (i) a waiver and release of any and all of Employee's claims against City, its Councilmembers, appointed officers, and employees, and (ii) a covenant not to sue any of those parties.

The parties intend this provision to comply with California Government Code section 53260, which limits severance benefits to an amount equal to the Employee's monthly salary multiplied by the number of months remaining on the unexpired term of the Agreement. The cash payment will be made in a lump sum based on timing set forth in the waiver and release. All normal payroll taxes and withholdings as required by law shall be made with respect to any

amounts paid under this section. If Employee accepts a severance payment he shall not file for unemployment benefits.

(d) Ineligibility for Severance-For Cause Termination. The Mayor and City Council may terminate the Employee “For Cause” at any time without prior notice by motion adopted by the affirmative votes of five members of the Mayor and City Council. If removed “For Cause”, Employee shall not receive any severance payment. “For Cause” for purposes of this Agreement shall mean any of the following:

- i) Conviction of, or plea of guilty or *nolo contendere* to, any crime or offense involving moral turpitude which is likely to have a material adverse impact on the City or on the City Manager’s reputation; or
- ii) Material breach of this Agreement which breach Employee has not cured, to the extent curable, to the satisfaction of the City Council within thirty (30) days after receiving notice of such breach; or
- iii) Fraud, embezzlement, misappropriation of funds or disclosure of confidential information without waiver from the Council; or
- iv) Misconduct or gross negligence that results, or reasonably could be expected to result, in financial damage to the City; or
- v) Failure to cooperate with an official investigation authorized by the City Council or City Attorney, or initiated by a governmental authority, in either case related to the City, its business, Council members or City employees; or
- vi) Proven failure of the Employee to observe or perform any of his duties and obligations as set forth in the City Charter, the Municipal Code, City policy or a lawful directive given by a majority of the City Council at a properly noticed meeting of the City Council; or
- vii) Proven material misrepresentations or lying to the Mayor or Council Members; or
- viii) Failure to disclose actions taken by Employee or at the direction of Employee when such actions are a) in direct conflict with actions previously approved or directed by the City Council or b) significant new initiatives requiring the expenditure of City resources.

9. Statutory Requirements. This Agreement shall be deemed to incorporate by reference the provisions of Sections 53243 *et seq.* of the Government Code, as those provisions may be amended or renumbered.

10. Payment of Expenses of Employment. The City shall pay the following usual and customary employment expenses.

(a) Fidelity Bonds. The cost of any fidelity or other bonds required by law for the City Manager position.

(b) Indemnity. The cost to defend and indemnify Employee to the full extent of the law as provided by the California Government Claims Act (Government Code §810 *et seq.*), or otherwise. Notwithstanding the foregoing, the City's obligation to defend and indemnify Employee shall extend only to the entry of a final judgment by the trial court, and shall not extend to providing defense or indemnity in connection with an appeal of the judgment, unless otherwise specifically provided by law. City will determine, in its sole discretion, whether to compromise and settle any such claim or suit against Employee and the amount of any settlement or judgment rendered thereon.

(c) Membership in Organizations. The City will reimburse or directly cover all membership fees, dues, and related costs for Employee to participate in the International City Managers Association, the American Association of Municipal Executives, and the California City Management Foundation. Employee is also authorized to join up to two additional organizations at his discretion, without the need for further City Council approval, provided the membership benefits the community, supports City Council goals, and/or addresses current or emerging issues within the community.

(d) Travel and Training Budget. The City Manager's Office travel and training budget will be funded in the necessary amounts to support Employee's attendance at the ICMA Annual Conference, ICMA Regional Conference, Cal Cities Annual Conference, Cal Cities Leaders Conference, and Cal Cities City Manager's conference. Employee can participate and serve on boards or committees of groups related to the city manager profession and city-related business (and the City will reimburse or directly cover Employee's reasonable travel for such participation), so long as Employee's participation does not interfere with employee's regular duties as City Manager. The City will allow Employee reasonable time away from the City to participate in the annual conferences of these organizations. The City will not reimburse Employee for any expenses related to membership in service clubs. Travel and training pursuant to this paragraph shall not be considered Outside Activities, as defined in Section 2(c) of this Agreement.

11. Miscellaneous.

(a) Notices. Notices given under this Agreement shall be in writing and shall be:

(i) served personally; or

(ii) sent by facsimile (provided a hard copy is mailed within one (1) business day); or

(iii) delivered by first-class United States mail, certified, with postage prepaid and a return receipt requested; or

(iv) Sent by Federal Express, or some equivalent private overnight delivery service.

Notices shall be deemed received at the earlier of actual receipt or three (3) days following deposit in the United States mail, postage prepaid. Notices shall be directed to the addresses shown below, provided that a party may change such party's address for notice by giving written notice to the other party in accordance with this subsection.

CITY:

City of San Bernardino
Attn: City Clerk

EMPLOYEE:

Address Last on File with City

(b) Compliance with Government Code §§53243, 53243.1, & 53243.2. If Employee is convicted of a crime involving an abuse of Employee's office or position, all of the following shall apply:

(i) If Employee is provided with administrative leave pay pending an investigation, Employee shall be required to fully reimburse City for such amounts paid;

(ii) If City pays for the criminal legal defense of Employee (which would be in its sole discretion, as it is not generally required to pay for a criminal defense), Employee shall be required to fully reimburse City such amounts paid; and

(iii) If this Agreement is terminated based on actions underlying such conviction, any cash settlement related to the termination that Employee may receive from City shall be fully reimbursed to the City by Employee or void if not yet paid to Employee.

(iv) For this subsection, "abuse of office or position" means either (a) an abuse of public authority, including waste, fraud, and violation of the law under color of authority, or (b) a crime against public justice, including but not limited to a crime described in Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

(c) Entire Agreement/Amendment. This Agreement constitutes the entire understanding and agreement between the parties as to those matters contained in it, and supersedes any and all prior or contemporaneous agreements, representations and understandings of the parties. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated, and signed by the parties and attached hereto.

(d) Attorney's Fees. Except as provided elsewhere in this Agreement, if any legal action or proceeding is brought to enforce or interpret this Agreement, the prevailing

party, as determined by the court, shall be entitled to recover from the other party all reasonable costs and attorney's fees, including such fees and costs as may be incurred in enforcing any judgment or order entered in any such action.

Nothing in this subsection shall be read to prevent the parties from agreeing to some alternative method of dispute resolution. If such a method is agreed to, any final determination shall include an award of attorney's fees and costs by the presiding officer.

(e) Severability. In the event any portion of this Agreement is declared void, such portion shall be severed from this Agreement and the remaining provisions shall remain in effect, unless the result of such severance would be to substantially alter this Agreement or the obligations of the parties, in which case this Agreement shall be immediately terminated.

(f) Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, signed and dated by the parties.

(g) Representation by Counsel; No Presumption of Drafter. The parties acknowledge and agree that they were, or had the opportunity to be, represented individually by legal counsel with respect to the matters that are the subject of this Agreement and that they are fully advised with respect to their respective rights and obligations resulting from signing this Agreement. The Parties further agree that this Agreement shall not be interpreted or construed against or in favor of either Party by reason of who caused this Agreement to be drafted and that this Agreement is the product of the representation of each Party by independent legal counsel.

(h) Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Employee and City agree that venue for any dispute shall be in San Bernardino County, California.

(i) Section Headings. The headings on each of the sections and subsections of this Agreement are for the convenience of the parties only and do not limit or expand the contents of any such section or subsection.

(j) No Assignment. Employee may not assign this Agreement in whole or in part.

Dated: _____

CITY OF SAN BERNARDINO

By _____
Mayor

Dated: _____

EMPLOYEE

Attest:

City Clerk

Approved as to Form:

City Attorney

EXHIBIT A
PERFORMANCE EXPECTATIONS

1. Communicate regularly and consistently with Mayor and City Councilmembers with written weekly updates and more detailed written updates related to significant projects.
2. If an action or agenda item is requested by one person or less than a majority of the Mayor and Council, and Employee decides on his own to take such action or pursue such an agenda item, disclose to the Mayor and Council that the item was originally suggested by one of the elected members.
3. Review and understand the roles of the Mayor and Councilmembers pursuant to the City Charter, the Municipal Code and Policies, especially as applied to placing items on the City Council agenda and directing action.
4. Work collaboratively with the Mayor and Council's City Charter appointees, the City Clerk and City Attorney and recognize the roles that each has. If you have issues with either of the appointees discuss those directly with the individuals before raising them with the Mayor and City Council.
5. If you are asked by any individual, community member, developer, public agency for a fee waiver or waiver of any land use regulation inform the Mayor and Council of the request.
6. If you initiate due diligence on a project which may require bond financing or a significant investment of resources (staff or money) inform the Mayor and Council before conducting the due diligence.
7. Manage closed session and agenda items to ensure that the Mayor and Council have adequate time to consider and discuss items. Do not put items on the City Council agenda with staff recommendation that say the item must be approved "as-is."
8. Manage and lead staff with urgency to complete homeless projects and ensure compliance with the ACLU settlement agreement.
9. Be sensitive to Mayor and Councilmember dynamics without getting involved in their personal grievances and political postures.
10. Develop goals and performance expectations for each Department Head and conduct regular performance evaluations to ensure that departments and Employee are aligned with the goals and expectations of the Mayor and Council.

EXHIBIT B
EXECUTIVE COMPENSATION AND BENEFITS PLAN RESOLUTION