

EMPLOYMENT CONTRACT FOR CITY CLERK

This Employment Contract is made and entered into on May 21, 2019, by and between the CITY OF STOCKTON, STATE OF CALIFORNIA, a municipal corporation, by and through its City Council (EMPLOYER), and ELIZA R. GARZA (EMPLOYEE).

RECITALS:

1. EMPLOYER is a Chartered City of the State of California.
2. The City Council of the City of Stockton, in accordance with the provisions of Article XIV, Section 1400, of the Charter, desires to employ the services of Eliza R. Garza as the City Clerk.
3. EMPLOYEE desires to accept employment as Stockton City Clerk.
4. It is the desire of both EMPLOYER and EMPLOYEE to set forth the terms and conditions of said employment.

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

ARTICLE I
TERM OF EMPLOYMENT

Section 1.01. **Term:** EMPLOYER hereby employs EMPLOYEE as the City Clerk and EMPLOYEE hereby accepts said employment for an initial term of five (5) years commencing on May 21, 2019, and continuing until May 20, 2024 (the initial "Termination Date"). This Employment Contract shall automatically renew as provided herein unless the EMPLOYER gives EMPLOYEE timely notice of non-renewal at least twelve (12) months prior to the initial Termination Date or any succeeding Termination Date. Unless such notice of non-renewal is timely given, this Employment Contract shall automatically renew for an additional one (1) year term, and a new Termination Date shall accordingly be established.

Section 1.02. **At Will Employee:** EMPLOYEE understands and agrees that she serves at the pleasure of EMPLOYER and may be terminated at the will of EMPLOYER, subject only to the notice and severance provisions set forth in Section 5.02 of this Employment Contract. In like manner, nothing in this Employment Contract shall prevent, limit, or otherwise interfere with the right of EMPLOYEE to resign at any time from the position of City Clerk, subject only to the notice provision set forth in Section 5.02 of this Employment Contract. EMPLOYEE further acknowledges that EMPLOYER has made no implied, expressed or written assurances of continued employment with the City of Stockton other than as specifically set forth in this Employment Contract.

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ARTICLE II
DUTIES AND OBLIGATION OF EMPLOYEE

Section 2.01. **Duties:** EMPLOYER hereby agrees to employ EMPLOYEE as City Clerk of the City of Stockton to perform the functions and duties as specified in the City Charter, Ordinances of the City, California Constitution, and California Statutes, and to perform such other legally permissible and proper duties and functions as EMPLOYER shall from time to time assign to EMPLOYEE that are reasonably related to the position of City Clerk. EMPLOYEE shall complete her Bachelor's Degree by August 2019, unless a later date is subsequently agreed to between the parties.

Section 2.02. **Devotion to Duties:** EMPLOYEE agrees to devote her entire productive time, ability and attention to the business of EMPLOYER during the term of her Employment Contract. EMPLOYEE agrees that she shall not engage in any other public or private employment during the term of this Employment Contract. This Employment Contract shall not be interpreted nor intended to prohibit EMPLOYEE from making passive personal investments, or from volunteering her free time to the City Clerks Association of California, International Institute of Municipal Clerks, or from serving on the respective Boards, or being a trainer/presenter at local/regional, or annual conferences, or other similar avocation.

Section 2.03. **Performance Evaluation Procedures:** The City Council shall review and evaluate the performance of EMPLOYEE approximately six-months following the date of initial employment. Said review and evaluation shall be in accordance with specific criteria developed by EMPLOYER after consultation with EMPLOYEE. Subsequent evaluations shall occur no less frequently than semi-annually and shall include a review and evaluation of the performance of EMPLOYEE in accordance with the above-referenced criteria, and discussion and decision regarding changes and additions to the criteria.

ARTICLE III
COMPENSATION

Section 3.01. **Annual Base Salary:** EMPLOYER agrees to pay to EMPLOYEE for services rendered by her pursuant to this Employment Contract an annual base salary of \$141,573.60, payable in installments at the time as other employees of EMPLOYER are paid. EMPLOYER, in its sole and absolute discretion, may adjust the annual base salary of EMPLOYEE at such times and to such extent as EMPLOYER may determine. In exercising its discretionary authority, EMPLOYER shall act fairly and in good faith with EMPLOYEE. In no case shall EMPLOYEE's annual base salary be decreased unless such decrease is a percentage consistent with a decrease applicable to employees of EMPLOYER generally.

ARTICLE IV
EMPLOYEE BENEFITS

Section 4.01. **Automobile Expense Reimbursement:** During the term of this Employment Contract, EMPLOYEE, to the extent necessary to perform her duties, shall

use her own personal vehicle. EMPLOYEE shall be responsible for the payment of all operating expenses of the vehicle, including, but not limited to, gasoline, oil, service, and repair, and, if necessary, the replacement of her automobile; provided, however, EMPLOYER shall reimburse EMPLOYEE for travel outside of the City of Stockton in accordance with policies adopted, from time to time, by EMPLOYER. EMPLOYEE shall procure and maintain, at her expense, a comprehensive automobile liability insurance policy on the vehicle being used by her, in an amount that is acceptable to EMPLOYER.

Section 4.02. Deferred Compensation, Retirement, Health Coverage, Life Insurance, Disability, and Holidays: Except as otherwise provided herein, EMPLOYEE shall be entitled to receive those benefits provided by EMPLOYER to other department heads of the City of Stockton, including those appointed by the Stockton City Council, which consists of EMPLOYER paid health, dental, and vision coverage, retirement benefits, life insurance, disability, a voluntary deferred compensation plan and holidays. The benefits so provided are subject to modification during the course of this Employment Contract at the sole and absolute discretion of EMPLOYER at such times and to such extent as EMPLOYER may deem appropriate, provided, however, there shall be no reduction in benefits unless EMPLOYER implements the same reduction of benefits to all other department heads of the City of Stockton.

Section 4.03. Vacation and Sick Leave: EMPLOYEE is currently employed by EMPLOYER, and for this reason EMPLOYEE shall retain all of her existing annual vacation leave balance and shall receive thirty (30) days of annual vacation leave annually. Maximum vacation accrual is sixty (60) days. Annual vacation leave shall be administered in the same manner as vacation is administered for department head employees of EMPLOYER with regard to timing of credits and buyback policy. EMPLOYEE shall also retain all of her existing sick leave balance and shall accrue fifteen (15) days of sick leave annually with unlimited accumulation. Sick leave may be used in accordance with policies applicable to department head employees of EMPLOYER. Fifty-percent (50%) of unused sick leave credits may be converted to cash upon termination or retirement at EMPLOYEE's then existing hourly rate of base salary.

Section 4.04. Professional Dues and Subscriptions: EMPLOYER agrees to pay for professional dues and subscriptions of EMPLOYEE necessary for her continuation and full participation in national and state associations of City Clerk's subject to prior review and approval by EMPLOYER.

Section 4.05. Expenses: EMPLOYEE shall be entitled to reimbursement for all reasonable expenses necessarily incurred by her in the performance of her duties upon presentation of vouchers indicating the amount and purpose thereof, and further provided that such expenses are in accordance with policies established from time to time by EMPLOYER and consistent with budget allocations adopted by EMPLOYER for that purpose during the term of this Employment Contract.

Section 4.06. Professional Development: EMPLOYER agrees to pay travel and subsistence expenses of EMPLOYEE for professional and office travel, meetings, and occasions adequate to continue the professional development of EMPLOYEE and to adequately pursue necessary official functions for EMPLOYER, including, but not limited

to, attendance at the League of California Cities New Laws Conference, national, regional, state and local government groups and committees thereof which EMPLOYEE serves as a member, provided the City Council has specifically approved such participation and made provisions for such costs in the annual budget. EMPLOYER also agrees to pay tuition, travel, and subsistence expenses of EMPLOYEE for short courses, institutes, and seminars that are necessary for her professional development and for the good of the City, subject to budget limitations. EMPLOYER also agrees to reimburse up to 30% of the cost of tuition and books for enrollment in a Master's Program for Public Administration, subject to Council approval and budget limitations.

Section 4.07. Annual Physical Examination: EMPLOYEE will be entitled to an annual physical examination at EMPLOYER's expense by a licensed physician pursuant to the City of Stockton's plan for MPA employees.

ARTICLE V SUSPENSION, RESIGNATION, AND TERMINATION

Section 5.01. Suspension: EMPLOYER may suspend EMPLOYEE with full pay and benefits at any time during the term of this Employment Contract, but only if the required number of affirmative votes of a majority of members of the City Council, as specified in the Charter, agree that it is necessary for the good of the City to suspend EMPLOYEE's rendition of services in order to allow EMPLOYER time to consider whether or not it wishes to permanently terminate EMPLOYEE's services. If EMPLOYER acts to suspend EMPLOYEE's services hereunder for any period or combination of periods in excess of a total of thirty (30) work days during the term of this Employment Contract, EMPLOYEE may, at her option, be deemed to have been terminated within the meaning and context of the herein severance pay provision.

Section 5.02. Resignation, Termination and Severance Pay: In the event EMPLOYEE is terminated by EMPLOYER and during such time as EMPLOYEE is able and willing to perform her duties under this Employment Contract, EMPLOYER agrees (1) to provide EMPLOYEE with notice at least one (1) month in advance of the final date of employment and further, (2) to pay EMPLOYEE as severance pay a lump sum cash payment in an amount equal to four (4) months of EMPLOYEE's then current salary plus any leave time accrued as of the date of termination and to continue in full force and effect for four (4) months the life insurance and medical, dental, and vision insurance coverages then being provided by EMPLOYER to EMPLOYEE, and her dependents; provided, however, that if EMPLOYER terminates EMPLOYEE for cause, EMPLOYER shall have no obligation to provide any severance pay. As used in this section, "cause" shall mean willful failure to implement Council policy, abandonment of her duties, conviction of a felony or misdemeanor in the course of her official duties, or continued abuse of non-prescription drugs or alcohol that materially affects the performance of her duties. In the event EMPLOYER terminates EMPLOYEE for cause, EMPLOYER may terminate this Employment Contract immediately, and EMPLOYEE shall be entitled only to the compensation and accumulated vacation accrued up to the date of termination and such other payments and benefits provided by this Employment Contract or by law.

EMPLOYEE agrees that under no circumstances will the EMPLOYEE be able to contest the nature of the EMPLOYEE's at-will status, nor will the EMPLOYEE be able to raise any remedy of reinstatement in any legal forum.

In the event EMPLOYEE, voluntarily and without the official request of EMPLOYER resigns her position, EMPLOYEE shall give written notice to the EMPLOYER at least forty-five (45) days in advance of the final date of employment, unless the parties otherwise agree. Such resignation shall not be deemed to be a "termination" within the meaning and context of the herein severance pay provision.

Section 5.03. Disability: If, for a period of four (4) successive weeks beyond any accrued sick leave and vacation, EMPLOYEE is disabled or is otherwise unable to perform her duties because of sickness, accident, injury, mental incapacity, or ill health, EMPLOYER shall have the option to terminate this Employment Contract. If EMPLOYER exercises this option, EMPLOYEE shall nonetheless be compensated for any accrued leave time and other accrued benefits, including, but not limited to, long-term disability insurance benefits for which EMPLOYEE is eligible; however, EMPLOYEE shall not receive the severance pay described in Section 5.02 above.

ARTICLE VI MISCELLANEOUS

Section 6.01. Other Terms and Conditions of Employment: EMPLOYER, after consultation with EMPLOYEE, shall fix any such other terms and conditions of employment as EMPLOYER may determine from time to time, relating to the performance of EMPLOYEE, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Employment Contract, the City Charter, Municipal Code, or any other law.

Section 6.02. Notices: Notices pursuant to this Employment Contract shall be served in the same manner as is applicable to civil judicial practice.

Section 6.03. Bonding: EMPLOYER shall bear the full cost of any fidelity or other bonds required of EMPLOYEE under any law or ordinance.

Section 6.04. Indemnification: EMPLOYER shall defend, save harmless, and indemnify EMPLOYEE against any tort, professional liability claim, or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of EMPLOYEE's duties as City Clerk. If EMPLOYER compromises or settles any such claim or suit, EMPLOYER shall pay the amount of any settlement, or if the claim or suit results in a judgment against EMPLOYEE, EMPLOYER shall pay any such judgment. The Indemnification does not apply to any act, action, or omission arising out of the gross negligence, willful misconduct on the part of EMPLOYEE, or acts of EMPLOYEE outside the course and scope of her duties.

Section 6.05. General Provisions:

A. The text herein shall constitute the entire agreement between the parties.

B. This Employment Contract shall be binding upon and inure to the benefit of the heirs at law and executors of EMPLOYEE.

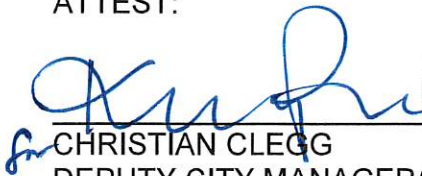
C. This Employment Contract may only be modified upon the written consent of the EMPLOYER AND EMPLOYEE.

D. In any action to enforce the terms of this Employment Contract, the prevailing party shall be entitled to recover its attorney's fees, court costs, and other non-reimbursable litigation expenses, such as expert witness fees and investigation expenses.

Section 6.06. **Severability:** If any provision, or any portion thereof, contained in this Employment Contract is held unconstitutional, invalid, or unenforceable, the remainder of this Employment Contract shall be deemed severable, shall not be affected, and shall remain in full force and effect.

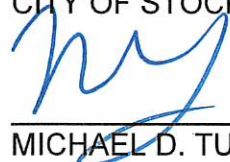
IN WITNESS WHEREOF, EMPLOYER has caused this Employment Contract to be signed and executed on its behalf by its Mayor, and duly attested by its Deputy City Clerk, and EMPLOYEE has signed and executed this Employment Contract, both in duplicate, the day and year first above written.

ATTEST:



CHRISTIAN CLEGG
DEPUTY CITY MANAGER/
INTERIM CITY CLERK



CITY OF STOCKTON


MICHAEL D. TUBBS, MAYOR

APPROVED AS TO FORM:


CITY ATTORNEY

AGREED:


ELIZA R. GARZA, CMC

"EMPLOYEE"