

**City of Calipatria
City Manager
Employment Agreement**

THIS AGREEMENT, initially made and entered into on the 1st day of June, 2025, by and between the City of Calipatria, a municipal corporation, ("City" hereinafter), and Laura Gutierrez, (sometimes referred to as "Employee," hereinafter).

RECITALS

WHEREAS, the City desires to continue to employ the services of Laura Gutierrez as City Manager of the City of Calipatria as provided by Ordinance 2016-002 of the Calipatria Municipal Code; and

WHEREAS, it is the desire of the City Council to provide certain benefits, to establish certain conditions of employment, and to set working conditions of Employee; and

WHEREAS, Employee desires to accept employment as City Manager of the City of Calipatria; and

WHEREAS, the parties acknowledge that Employee will become a member of the International City/County Management Association (ICMA) and the Employee will subject to the ICMA Code of Ethics;

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

Section 1: Duties/Compensation

a. The City hereby employs Laura Gutierrez as City Manager of the City of Calipatria to perform the functions and duties specified in Ordinance 2016-002 of the Calipatria Municipal Code and the applicable provisions of the California Government Code and to perform other legally permissible and proper duties and functions as the Council shall from time-to-time assign.

b. In addition, the Employee shall serve as the Executive Director of any Successor Agency of the Calipatria Redevelopment Agency that the City may form in the future in response to legislation passed by the State in the future. In the event that the Legislature passes legislation allowing the City to form an agency that would serve as a Successor to the Calipatria Redevelopment Agency and in the further event that the City Council elects to establish such an agency, the Employee shall perform all of the duties incumbent on such a position as specified in the applicable Calipatria Ordinances and the California Government Code.

c. In addition, the Employee will assume the duties of the City's Chief Financial Officer. The City acknowledges that best practices provide that an employee or consultant other than the City Manager be responsible for signing certain financial reports on behalf of the City, to that end, the City shall use a consultant or part-time employee to assist with those particular functions.

d. As payment for Employee's services, Employee shall be compensated at the rate of one hundred twenty-six thousand dollars (\$126,000.00) per year beginning June 1, 2025, and beginning June 1, 2026, an amount to be determined before this date.

Section 2: Term

a. Employee agrees to remain in the exclusive employ of the City until May 30, 2027, and neither accept other employment nor become employed by any other employer prior to said termination date, unless her employment with the City is terminated earlier pursuant to the methods provided in this Agreement.

b. Nothing in this Agreement shall be construed in such a manner as to preclude the Employee from exercising her right to resign from her position with the City pursuant to Section 5 of this Agreement.

Section 3: Suspension

a. In the event allegations of misconduct are made and upon the finding by a majority of the City Council that the Employee is suspected of having misappropriated public funds or public property, violated public trust for the gain of herself or others, breached any fiduciary responsibility to the City, or committed misconduct in office which would amount to a crime, the Employee shall be suspended, with pay, pending the Council's investigation of the alleged conduct.

b. In the event that a majority of the Council makes a finding that the Employee has committed misconduct of the sort enumerated above and further determines that said misconduct does not warrant dismissal, the Council may impose a period of suspension without pay and benefits. However, such a sanction may not be imposed without first giving the Employee a minimum of ten (10) days written notice of the allegations, and an opportunity to have a public or private hearing, (at the Employee's option), wherein the truth of said allegations must be established by a preponderance of the evidence. The Employee shall have to opportunity to present evidence on her own behalf at such a hearing. Regardless of whether or not said hearing is public or private, the Council will deliberate in closed session. Only the City Attorney will be provided access to such deliberations.

Section 4: Termination/Severance

a. This is an exempt position. The Employee serves at the pleasure of the City Council, and is not subject to personnel policies afforded to civil service employees. No specific grounds are necessary for termination of employment. Termination may occur as set forth below.

b. Without Cause: It is understood and agreed that this is an "at will" employment relationship as provided in Government Code 36506, and this agreement may be terminated by the City Council at any time as determined by an affirmative vote of the majority of the City Council. The City Council may terminate the Employee's employment without cause at any time prior to the expiration of the term specified above by giving the Employee sixty (60) days

written notice of termination. The Employee will continue to perform her duties and be paid her regular salary up to the termination date.

c. Immediate termination may occur upon the finding by a majority of the City Council that the Manager has misappropriated public funds or public property, violated public trust for the gain of herself or others, breached any fiduciary responsibility to the City, or committed misconduct in office which would amount to a crime. Prior to making a decision regarding termination for cause, the City shall provide the Employee with ten (10) days written notice of the nature of the charges and shall afford the Employee an opportunity to have a public or private hearing, (at the Employee's option), wherein the truth of said allegations must be established by a preponderance of the evidence. The Employee shall have the opportunity to present evidence on her own behalf at such a hearing. Regardless of whether or not said hearing is public or private, the Council will deliberate in closed session. Only the City Attorney will be provided access to such deliberations.

d. In the event Employer wishes to terminate Employee for other than willful misconduct and the Employee is willing and able to perform her duties under this agreement, then the Employer shall give Employee thirty (30) days written notice. In that event, Employer agrees to pay Employee a lump sum cash payment equal to three (3) months at Employee's highest rate of pay during this term of City employ.

Section 5: Resignation

The Employee may terminate this Agreement by giving the City a written notice of resignation thirty (30) days prior to the effective date of resignation.

Section 6: Disability

If Employee is permanently disabled or is otherwise unable to perform her duties because of sickness, accident, injury, mental incapacity or health for a period of four (4) successive weeks beyond any accrued sick leave the City shall have the option to terminate this Agreement, subject to the notice requirements set forth above.

Section 7: Salary Payments Schedule

a. The City agrees to pay Employee at the same time as other management employees of the City are paid.

Section 8: Performance Evaluation

a. The City Council shall review and evaluate the performance of the Employee at least once annually in advance of the final adoption of the City's annual budget. Said review and evaluation shall be in accordance with specific criteria which has been developed by the City.

i. The Employee shall place the topic of her performance evaluation on the Council's Agenda by the 1st meeting in March of each year.

b. The Council shall provide the Employee with a written summary of its findings subsequent to the evaluation and provide an opportunity for the Employee to discuss her evaluation with the Council.

c. Each year, the Council and Employee shall define such goals and performance objectives that they determine necessary and desirable for the proper operation of the City. The Council shall establish a relative priority among the various goals enumerated.

i. The Council shall establish goals and objectives for the Employee at the beginning of each fiscal year. The Council shall seek community input with respect to the goals and objectives established. The Council shall be mindful of budget restraints when it establishes annual goals and objectives for the Employee.

Section 9: Hours of Work

a. It is recognized that Employee must devote a great deal of time outside the normal office hours of the City to conduct business of the City. To that end Employee will be allowed to take up to ten (10) days of administrative leave per fiscal year as she shall deem appropriate during normal office hours. Such administrative leave time if not taken during the fiscal year can be carried over to the following fiscal year, however Employee's administrative leave balance may not exceed twenty days.

b. City Hall business hours are based on Monday through Friday. Council reserves the right to change the business hours of City Hall pursuant to the needs of the City.

Section 10: Automobile

Employee shall be provided an automobile by the City for Employee's exclusive, unrestricted use. The City shall be responsible for paying liability, property damage and comprehensive liability insurance and for the purchase, operation, maintenance, repair, and regular replacement of said automobile.

Section 11: Vacation and Sick Leave

Employee shall accrue, be entitled to and have credited to her personal account, twelve (12) days paid vacation and twelve (12) days paid sick leave per year. Vacation and sick leave, accumulated in amounts greater than 240 hours, at Employee's option may be converted to cash on an annual basis.

Section 12: Disability, Health and Life Insurance

a. Insurance Benefits Package Major Medical

The City will contribute 100% of the Employee's Insurance Benefits Package of Major Medical Insurance, Dental, Vision, and life Insurance Program. Employee will be expected to pay forth costs of 75% of the dependent coverage at Employee's expense.

b. Vision Insurance-as per insurance benefits package

- c. Dental Insurance-as per insurance benefits package
- d. Life Insurance-as per insurance benefits package

Section 13: Retirement

a. As an Employee of the City of Calipatria the City agrees to execute all necessary agreements provided by California Public Employees Retirement Service (PERS) for Employee's participation in said PERS retirement plan under Public Employee Pension Reform Act of 2013. A member who established CalPERS membership prior to January 1, 2013, and who is hired by a different CalPERS employer after January 1, 2013, after a break in service of greater than six months. The defined benefit formula 2% at 62, and, in addition to the base salary paid by the City to the Employee, the City agrees to pay employer share in an amount not to exceed based on CALPERS annual actuarial of Employee's total gross compensation into the PERS on Employee's behalf, Employee is responsible for Employee share.

b. The parties shall fully disclose to each other the financial impact of any amendments to the terms of Employee's retirement benefits.

Section 14: Dues and Subscriptions

The City agrees to budget for and to pay for professional dues and subscriptions of Employee necessary for her continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for her continued professional participation, growth, and advancement and for the good of the City in an amount not to exceed \$750.00.

Section 15: Professional Development

a. The City agrees to budget for and to pay for travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official functions for the City, including but not limited to the ICMA Annual Conference, the League of California Cities, and such other national, regional, state, and local government groups and committees thereof which Employee serves as a member.

b. Employer also agrees to budget for and to pay for 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.

Section 16: General Expense

The City recognizes that certain expenses of a non personal and generally job affiliated nature are incurred by the Employee, and hereby agrees to reimburse or to pay said general expenses, up to an amount not to exceed \$500 per month, and the Employee is hereby authorized to disburse such monies upon provided that duly executed expense or petty cash vouchers, receipts, statements or personal affidavits are provided to the City.

Section 17: Indemnification

In addition to that required under state and local law, the City 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 all alleged acts or omissions occurring in the performance of Employee's duties of City Manager. The City will endeavor to compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

Section 18: Other Terms and Conditions of Employment

a. The Council, in consultation with the City Manager, shall fix any such other terms and conditions of employment, as it 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 Agreement, the Calipatria Municipal Code or any other law.

b. All provisions of the Calipatria Municipal Code, and regulations and rules of the City relating to vacation and sick leave, retirement and pension system contributions, holidays, and other benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of the City, in addition to said benefits enumerated specifically for the benefit of the Employee except as herein provided.

c. Employee shall be entitled to receive the same sick leave and vacation benefits as are afforded department heads, including provisions governing accrual and payment thereon on termination of employment.

Section 19: No Reduction of Benefits

The City shall not at any time during the term of this Agreement reduce the salary, compensation or other financial benefits of Employee, except to the degree of such a reduction across-the-board for all employees of the City.

Section 20: Notices

Notices required by this Agreement shall be given by deposit for delivery with the United States Postal Service, postage prepaid, addressed as follows:

1. City: City of Calipatria
125 North Park Avenue
Calipatria, California 92233
Attention: City Clerk
2. Employee: Laura Gutierrez
2657 Oasis Street
Imperial, CA 92251

Alternatively, notice may be given by personally delivering the same to the City Clerk or to the Employee. Notice is deemed given upon deposit in the U.S. Mail (certified) or upon personal delivery.

Section 21: General Provisions

- a. The text herein shall constitute the entire agreement between the parties.
- b. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
- c. The Agreement shall become effective on June 1, 2025.
- d. If any provision or portion of this Agreement is deemed to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

In witness whereof, the City of Calipatria has caused this Agreement to be signed and executed by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this Agreement on this ____ day of _____, 2025.

Michael Luellen
Mayor

Laura Gutierrez
City Manager

Attest:

Jane Hurtado
City Clerk

Approved as to Form:

Gilbert G. Otero
City Attorney