

CITY MANAGER EMPLOYMENT AGREEMENT

This AGREEMENT, made and entered into this 11th day of September 2012 (the "Effective Date"), by and between the City of Santa Clarita, a Municipal corporation (hereinafter called "the Employer"), and Kenneth W. Striplin (hereinafter called "the Employee"), both of whom understand as follows:

WHEREAS, the governing body of the City of Santa Clarita (hereinafter called "the City Council"), desires to retain the services of the Employee as City Manager, as that office is created in Chapter 2.08 of the Municipal Code of the City of Santa Clarita; and

WHEREAS, it is the desire of the City Council to provide certain benefits and establish certain terms and conditions of employment, as set forth herein.

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

Section 1. Duties

A. The City Council hereby agrees to employ the Employee as City Manager of the City of Santa Clarita, to perform the functions and duties of the City Manager as specified in Chapter 2.08 of the Santa Clarita Municipal Code, and to perform other legally permissible and proper duties and functions consistent with the office of the City Manager, as the City Council shall from time to time assign.

B. The Employee agrees to assume City Manager duties effective January 1, 2013, and any salary and benefits described in this Agreement will take effect at that time.

C. The Employee will continue to perform his duties as Assistant City Manager from Effective Date of this Agreement until assuming the City Manager duties on January 1, 2013, and during this time his current salary and benefits will remain unchanged.

D. Between the Effective Date of this Agreement and January 1, 2013, the Employee will devote time preparing for and transitioning to the position of City Manager, and in recognition of this work and commitment, the benefits provided in Section 14 shall apply from the Effective Date of this agreement should a majority of the Council decide not to employ the Employee as City Manager prior to January 1, 2013.

Section 2. Term

A. The term of this Agreement shall be indefinite but subject to the termination provisions set forth in paragraphs B. and C. of this section. During the term of this Agreement, the Employee shall be a full-time City Manager.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the Employee, subject to the conditions of this Agreement, at any time, at the sole discretion of the City Council, as provided in Section 2.08.100 of the Municipal Code of the City of Santa Clarita

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with the Employer. The Employee shall give forty-five (45) days written notice to the Employer prior to the effective date of resignation, or such lesser period as may be agreed upon by Employer and Employee.

Section 3. Salary

The Employer agrees to pay the Employee for services rendered, as provided herein, Two Hundred Twenty Thousand Dollars (\$220,000) per year, payable in installments at the same time and in the same manner as other employees of the City are paid. Should the City Council, upon completion of an annual review of the Employee's performance as provided for in Section 16, determine that the Employee has met performance expectations the City Council shall increase the Employee's compensation not less than 5% in 2014 and 2016, as is consistent with compensation increases granted to other employees in conjunction with their performance evaluations. Additional merit increases may be provided to the Employee at the City Council's discretion.

Section 4. Deferred Compensation

The Employer agrees to continue a deferred compensation program for the Employee and deposit a monthly sum equivalent to the maximum amount permissible under U.S. Internal Revenue Service Rules and Regulations, currently fourteen hundred sixteen dollars and sixty-six cents (\$1,416.66) per month toward this program. The amount of this benefit will adjust automatically consistent with amendments to the Deferred Compensation Rules & Regulations of the U.S. Internal Revenue Service.

Section 5. Pension

The Employer agrees to continue the Employee as a member of the California Public Employees Retirement System (PERS) and will pay for the Employee's pension in the same manner the City pays for other employees in the same pension formula.

Section 6. Health Insurance

The Employer agrees to provide the Employee with the same health, dental, and vision insurance coverage as is provided to other employees based on Employee's original hire date with the City.

Section 7. Long-Term Disability Insurance

The Employer agrees to continue to provide the Employee with a long-term disability program similar to other executive employees.

Section 8. Life Insurance

The Employer agrees to pay up to \$2,400 annually for a life insurance policy of the Employee's choice on the Employee's life for the benefit of a beneficiary designated by the Employee. The Employer also agrees to provide the Employee with the term life insurance equal to twice the Employee's annual salary.

Section 9. Physical Examination & Executive Wellness

The Employer shall biennially provide the Employee with a comprehensive physical examination by a qualified physician of the Employee's choice. Such physical examination may include the treadmill cardiovascular evaluation. Employee may continue in the City's Executive Wellness Program whereby Employer reimburses Employee up to \$1,000 annually to be used by the Employee for purchase of health benefit activities and equipment.

Section 10. Automobile

The Employee's duties require the exclusive and unrestricted use at all times during the duration of this Agreement of an automobile provided by the Employer. The Employer shall be responsible for paying liability, property damage, and comprehensive insurance for the purchase, operation, maintenance, repair and replacement of such an automobile.

Section 11. Expense

A. The Employer agrees to budget and to pay the professional dues and subscriptions on behalf of the Employee which are reasonably necessary for the Employee's continuation and full participation in national, regional, state, or local associations and organizations, including

membership in the International City/County Management Association and conference participation, necessary and desirable for the Employee's continued professional participation, growth, and advancement, or for the good of the City. In addition, the Employer agrees to pay a maximum of \$1,000 per calendar year toward the Employee's participation in local service organizations. Furthermore, the Employer shall budget and pay for the professional dues and subscriptions to such additional organizations as approved by the City Council.

B. The Employer agrees to budget and to pay the travel and subsistence expenses of the Employee for official travel, meetings, and occasions reasonably adequate to continue the professional development of the Employee and reasonably pursue necessary official and other functions for the City, including, but not limited to, national, regional, state, and local conferences, governmental groups and committees upon which the Employee serves as a member.

Section 12. Vacation and Sick Leave

A. The Employee currently has accrued paid vacation leave at the Effective Date of this Agreement and shall accrue twenty (20) days vacation each year, in addition to recognized City holidays. Vacation for the Employee will be granted biweekly in the same manner as given to other employees. Unused vacation in excess of three times the annual rate of accrual shall be paid as additional compensation following the same program as is available to other employees. Upon termination of employment, either voluntary or involuntary, any unused vacation leave will be cashed out.

B. The Employee currently has accrued sick leave on the Effective Date of this Agreement and annually shall continue to accrue at a rate of twelve (12) days each year. Sick leave for the Employee will be granted biweekly in the same manner as given to other employees. Upon termination of employment, either voluntary or involuntary, employee shall not be entitled to compensation for unused sick leave.

Section 13. Administrative Leave

The Employer agrees to provide the Employee with fifteen (15) days of annual administrative leave, which will be granted biweekly and administered in the same manner as given to other management employees. Upon termination of employment, either voluntary or involuntary, employee shall not be entitled to compensation for unused administrative leave.

Section 14. Termination and Severance Pay

A. In the event the Employee is terminated pursuant to Section 2.08.100 of the Municipal Code of the City of Santa Clarita during the term of this Agreement, and during such time as the Employee is willing and able to perform duties under this Agreement, the Employee shall be entitled to a cash payment of compensation equal to the salary specified in Section 3, and health benefits specified in Section 6 due for a period of twelve (12) months following the effective date of the termination. In recognition of the Employee's long-term service to the City, one (1) additional month of salary would be added to the severance package for each year of service up to a maximum of eighteen (18) months of severance. The year of service will be calculated from January 1, 2013.

B. If at any time during the term of this Agreement the City Council reduces the salary or other financial benefits of the Employee in greater percentage than an applicable across-the-board reduction to all City employees, or the City Council refuses, following written notice, to comply with any provision of this Agreement benefiting the Employee, or the Employee resigns at the request of a majority of the members of the City Council, the Employee may, at his option, be deemed terminated and entitled to severance pay as provided in Section 14A.

C. If the Employee is convicted of a felony, the Employer may terminate this Agreement immediately, and the Employee would be entitled to only the compensation accrued up to the date of termination and other such termination benefits and payments as may be required by law. The Employee shall not be entitled to severance pay provided in Sections 14A and 14B. If the Employee is convicted of a crime involving the abuse of his office or any felony, he shall reimburse the City those amounts required by Government Code Sections 53243-53243.4.

Section 15. Election Protection

The City Council agrees not to terminate the Employee during any ninety (90) calendar day period after a City Council election without the payment of additional severance allowance. This additional severance allowance will offer new City Council members an opportunity to work with and observe the Employee prior to taking any action. If the City Council does terminate the Employee within ninety (90) days after a City Council election, the Employee shall be entitled to a severance pay of ninety (90) calendar days in addition to the severance pay allowed by Section 14 of this Agreement, subject to the limitations of Section 53260 of the Government Code.

Section 16. Performance Evaluation

A. Annually, the City Council and the Employee shall define such goals and performance objectives which they determine necessary for the proper operation of the City in the attainment of the City Council's policy objectives, and the City Council and the Employee shall further establish a relative priority among those various goals and objectives to be reduced to writing. The Employee's performance objectives shall be obtainable generally within the time limits as specified in the annual operating and capital budgets and appropriations provided.

B. The City Council shall review and evaluate the performance of the Employee at least once annually. The annual review and evaluation shall be in accordance with specific criteria developed jointly by the City Council and the Employee. Such criteria may be added to or deleted as the City Council may from time to time determine in consultation with the Employee. The method of evaluation shall be at the discretion of the Council.

Section 17. Other Terms and Conditions of Employment

A. The City Council, in consultation with the Employee, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such other terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, any ordinance or resolution of the City, or any other applicable law.

B. Cost of Living Adjustments (COLAs), fringe benefits and working conditions applicable generally to management employees of the Employer, as such rules now exist or hereinafter may be amended, shall also apply to the Employee, except where such fringe benefits and working conditions are inconsistent with the terms contained herein.

Section 18. General Provisions

A. The text herein shall constitute the entire Agreement between the parties as to the subject matter hereof.

B. This Agreement shall be binding upon, and inure, where applicable, to the benefit of the heirs at law and executor of the Employee.

C. If any provision or any portion hereof is held unconstitutional, invalid, or unenforceable, the remainder of this Agreement or portion hereof shall be deemed severable, shall not be affected, and shall remain in full force and effect.

D. This Agreement may be amended only in writing.

Section 19. Notices

Notices pursuant to this Agreement shall be given by depositing such notice in the custody of the United States postal services, postage prepaid, address as follows or hand-delivered:

City Council
City of Santa Clarita
23920 Valencia Blvd., #300
Santa Clarita, CA 91355

-OR-


Kenneth W. Striplin
23920 Valencia Blvd., #300
Santa Clarita, CA 91355

Alternatively, any notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice at the date such notice is given. Notice shall be deemed given as the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United State postal service.

Section 20. Cancel Prior Agreement

This Agreement cancels and supersedes any and all prior employment agreements between the Employee and the Employer.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.



Kenneth W. Striplin

CITY OF SANTA CLARITA,
a General Law City

By _____
Mayor

ATTEST

By _____
Interim City Clerk

APPROVED AS TO FORM:



City Attorney

**AMENDMENT TO
CITY MANAGER EMPLOYMENT AGREEMENT**

This amendment (the "Amendment") is effective November 13, 2012, and is made and entered into by and between the City of Santa Clarita and Kenneth W. Striplin, parties to the City Manager Employment Agreement dated September 11, 2012 (the "Agreement").

Section 1. All references in Section 1 and Section 14 of the Agreement to January 1, 2013 are hereby amended to instead refer to December 1, 2012.

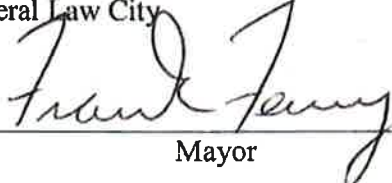
Section 2. Except as expressly amended in this Amendment, all other provisions of the Agreement are unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment and the Agreement, the terms of this Amendment will prevail.

IN WITNESS WHEREOF, the parties have executed this Amendment the day and year first above written.



Kenneth W. Striplin

CITY OF SANTA CLARITA,
a General Law City

By 

Mayor

ATTEST

By 

City Clerk

APPROVED AS TO FORM:



City Attorney