

Resolution Number: 6534-2023

**EMPLOYMENT AGREEMENT BETWEEN
THE CITY OF SEBASTOPOL AND LARRY MCLAUGHLIN**

This Employment Agreement ("Agreement") is made and entered into on this 16th day of May, 2023, by and between the City of Sebastopol, California (hereinafter referred to as "City") and Larry McLaughlin (hereinafter referred to as "Employee").

RECITALS

WHEREAS, the City has established the two distinct positions of City Manager and City Attorney;

WHEREAS, the City desires to ensure the distinction between the two positions;

WHEREAS, Employee began his employment with the City as City Attorney on July 1, 1987;

WHEREAS, the City and Employee entered into an Employment Agreement on May 25, 2012 for Employee's services as Interim City Manager. Under the Employment Agreement, Employee served in the dual capacity of City Manager and City Attorney;

WHEREAS, the City and Employee entered into an Employment Agreement on January 15, 2013 for Employee's service as City Manager;

WHEREAS, the Employment Agreement was amended and extended on August 5, 2014, May 18, 2021, and July 5, 2022;

WHEREAS, the City employs Employee in the dual capacity of City Manager and City Attorney;

WHEREAS, Employee has expressed a desire to resign from the position of City Manager no later than the conclusion of 2023;

WHEREAS, the City has initiated a recruitment for a new City Manager;

WHEREAS, the City and Employee desire to continue their employment relationship as detailed herein to allow the City to recruit a new City Manager and maintain Employee's employment with the City as City Attorney;

NOW, THEREFORE, the City Council offers, and Employee accepts, the following terms and conditions of employment as the City Manager and City Attorney as Shown in Attachment A.

The above and foregoing Resolution was duly passed, approved, and adopted at a meeting by the City Council on the 2nd day of May, 2023.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the City of Sebastopol City Council by the following vote:

VOTE:

Ayes: Councilmember Maurer, McLewis, Zollman and Vice Mayor Rich
Noes: None
Absent: Mayor Hinton
Abstain: None

APPROVED:



Diana Gardner Rich, Vice Mayor

ATTEST:



Mary Gourley, Assistant City Manager/City Clerk, MMC

ATTACHMENT A

AGREEMENT

1. Title and Description Duties:
 - a. Employee shall serve as City Manager of the City of Sebastopol. In that capacity, the Employee shall do and perform all duties, services, acts, and all that is necessary or advisable to fulfill the duties of City Manager as specified by law, and in City Ordinance Nos. 379, 473, and 493, as amended from time to time. However, Employee shall at all times be subject to the direction of the City Council and to the policies established by the City Council.
 - b. Employee shall also serve as the City Attorney of the City of Sebastopol. In the capacity of City Attorney, Employee shall serve as the chief legal advisor to the City. Employee shall ensure the performance of all responsibilities for the City Attorney outlined in the City's Municipal Code.
 - c. Employee shall be permitted to maintain a private law practice. However, Employee shall give priority to and devote such time and attention as may be necessary to fulfill the duties of City Manager and City Attorney. Employee agrees that to the best of his ability and experience, he will at all times loyally and conscientiously perform all of the duties and obligations of him either expressly or implicitly by the terms of this Agreement.
 - d. Hours of Work: It is recognized that Employee devotes a great deal of time outside the normal office hours (7:00 am – 5:30 pm Monday through Thursday) on business related to the operations of the City, and to that end, Employee shall be permitted to establish an appropriate work schedule, subject to the periodic review and approval of the City Council.
 - e. Employee shall be permitted to continue Telework/Telecommuting as approved by the City Council.
2. Term of Agreement:
 - a. Employee shall serve as the City Manager until December 31, 2023, or until the City successfully recruits and hires a City Manager to replace Employee, whichever is first.
 - b. Upon the employment of a new City Manager and Employee's resignation as City Manager, Employee shall remain the City Attorney. Employee shall remain the

City Attorney until the City recruits for and retains a new City Attorney or law firm(s) to serve in the capacity of City Attorney.

3. Compensation:

- a. Salary: As compensation for the services to be rendered by Employee, the City shall pay Employee as described below:
 - i. During any period in which Employee serves as City Manager and City Attorney, Employee shall receive an annual base salary of \$187,042.00. No additional compensation shall be owed to Employee for services as City Attorney.
 - ii. During any period in which Employee serves exclusively as City Attorney, Employee shall receive an annual base salary of \$187,042.00.
- b. Cost of Living Increases: Employee shall receive cost of living increases as provided to other management employees during the term of this Agreement.
- c. Longevity Stipend: Employee shall receive an additional 2% of yearly salary on the anniversary date of 30 years of service with the City.
- d. Deferred Compensation: Employee shall receive a stipend of \$350 per month to be paid by the City into Employee's IMCA Deferred Compensation Plan.
- e. Electronic Allowance: The City shall provide Employee with an electronic allowance for mobile telephone, Cellular Service / Wi Fi for Laptop as a set stipend of \$150.00 per month to offset the costs of personal devices for official business. Said allowance shall be payable upon the first pay cycle of the month.
- f. Holiday, Vacation and Sick Leave: During the term of this Agreement, regardless of whether Employee serves as City Manager and City Attorney or solely City Attorney, Employee shall:
 - i. Receive all holidays normally provided to all City management employees.
 - ii. Accrue ten (10) hours of vacation per payroll. Any vacation balance that exists in excess of three times the Employee's accrual rate may be cashed out during the year but no later than December 1st of each year.
 - iii. Accrue five (5) hours of sick leave per payroll. There shall be no cap on Employee's sick leave.
 - iv. Earn ten hours of administrative leave per month. The City shall credit Employee 60 hours of administrative leave on July 1st of each year and 60 hours on January 1st of each year. Employee shall cash out any unused

balance on later than May 30th of each fiscal year. Unused administrative leave will be paid out upon termination / resignation.

- v. Receive two (2) personal days per fiscal year.

- g. Upon termination/resignation of Employee's City Manager and/or City Attorney position by the City, for any reason, the City shall compensate Employee for all accrued vacation. Employee shall have no right to receive a payout for unused accrued sick leave.

- h. Insurance: Employee shall receive all insurance benefits including medical, dental, vision and life insurance that are currently provided to other management employees of the City. In the event the Employee chooses not to participate in the City plans, he may choose to receive the City paid premium benefits for medical coverage applied to his deferred compensation plan.

- i. PERS Retirement: The City shall pay employer related costs of the California Public Employer's Retirement System ("CalPERS"). Employee shall make all employee contributions to the CalPERS as required of other management employees of the City.

- j. Medical After Retirement: The Employee shall receive medical premium benefits after retiring from the City under the PERS retirement plan in accordance with City policy.

- k. Other Benefits: Employee shall receive such other benefits and leave as are provided currently or into the future by the City management and supervisory personnel under the same terms and conditions.

4. Termination of Employment:

- a. Termination by the City:

Employee, as City Manager, is an "at will" employee, and pursuant to the provisions of Ordinance No. 379, the City may at any time terminate Employee's services as City Manager upon a three-member vote of the whole City Council in a regular City Council meeting. The power of the City Council to remove the City Manager pursuant to this paragraph shall be limited as set forth in Ordinance No. 473. Employee shall be provided thirty (30) calendar days advance notice of such termination. Employee may be placed on paid, administrative leave during this thirty (30) day period.

- b. Termination by Virtue of Recruitment:

Within five (5) calendar days of the hiring of a new City Manager, the City shall provide Employee with written notice of Employee's date of resignation which shall be provided no less than fifteen (15) calendar days in advance of the date of resignation.

Within five (5) calendar days of the hiring of a new City Attorney or retention of law firm(s) to serve as City Attorney, the City shall provide Employee with written notice of Employee's date of resignation which shall be provided no less than fifteen (15) calendar days in advance of the date of resignation.

c. Termination by Employee:

Employee may, at any time and for any reason, terminate his employment as City Manager by providing thirty (30) calendar days advance written notice of termination to the City.

Employee may, at any time and for any reason, resign his position as City Attorney by providing thirty (30) calendar days advance written notice to the City.

5. City Property: Upon termination of this Agreement and/or resignation of Employee, Employee shall return all City property, including but not limited to, City-owned electronics, keys, credit/charge cards, and files, no later than the termination/resignation date. Employee shall also provide his login and password information for all City-related programs and electronics.
6. Arbitration: Any controversy or claim arising out of or pertaining to this Agreement, or the breach thereof, shall be settled by binding arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be enforced as provided by California Law. City shall pay the fees and costs of the American Arbitration Association, the arbitrator's fee shall be shared equally, and otherwise the parties shall bear their own costs.
7. Notices: Any notices required by this Agreement shall be in writing and either given in person or by first class mail with the postage prepaid and addressed as follows:

TO CITY: City Council c/o City Clerk/Assistant City Manager
City of Sebastopol
7120 Bodega Avenue, Post Office Box 1776
Sebastopol, CA 95473-1776

TO EMPLOYEE: Larry McLaughlin
c/o City of Sebastopol
7120 Bodega Avenue
Sebastopol, CA 95472

8. Entire Agreement: This Agreement is the final expression of the complete agreement of both parties with respect to the matters specified herein and supersedes all prior oral and written understandings. Except as prescribed herein, this Agreement cannot be modified except by written mutual agreement signed by the parties.
9. Assignment: This Agreement is not assignable by either the City or Employee.
10. Severability: In the event that any provisions of this Agreement is finally held or determined to be illegal or void by a duly appointed arbitrator or by a court having jurisdiction over the parties, the remainder of this Agreement shall remain in full force and effect unless the parts found to be void are wholly inseparable from the remaining portion of the Agreement.
11. Counterparts: This Agreement shall be executed in two counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
12. Government Code Section 53243.2: Pursuant to Government Code Section 53243.2, Employee agrees that if this Agreement is terminated, Employee shall reimburse the City the full amount of any cash settlement Employee received from the City relating to that termination if the Employee is convicted of a crime involving an abuse of her office or position.

IN WITNESS WHEREOF, the Employer has caused this Agreement to be signed and executed in its behalf by its Vice Mayor and duly attested by the City Clerk. It has also been executed by the Employee.



Diana Gardner Rich, Vice Mayor



Larry McLaughlin, City Manager / City Attorney

ATTEST:



Mary Gourley, City Clerk