

EMPLOYMENT AGREEMENT—CITY MANAGER

TOWN OF ATHERTON

This Agreement ("Agreement") is entered into on or about 19 Oct, 2012, by and between the TOWN OF ATHERTON, a municipal corporation ("Town") and GEORGE RODERICKS ("Manager").

1. EMPLOYMENT.

City, by its City Council, hereby employs Manager to serve as Atherton City Manager and Manager hereby accepts such employment.

Such employment shall be as an at-will employee and Manager serves at the pleasure of the City Council in accordance with Government Code section 36506.

2. TERM/TERMINATION/SEVERANCE.

A. The term of this Agreement shall begin on 19 Oct, 2012, and shall remain in effect indefinitely from year-to-year thereafter unless either party gives written notice of intention to terminate.

B. Either party may terminate this Agreement at any time by providing at least sixty (60) days written notice to the other party.

C. In the event Manager is terminated other than for cause by Town during such time as Manager is willing and able to perform the duties of City Manager under this Agreement, then in that event Town agrees to pay Manager a lump sum severance payment equal to six months' base salary then in effect, unless Manager has been employed for a period of more than one year in which case the six months shall be increased by an additional month for each full year of employment beyond one up to a maximum of nine months' base salary. Such severance payment shall be made only upon Manager executing a full and final release of any and all claims, actual or potential, which Manager has or could have against Town.

As used herein, the term "cause" shall mean one or more of the following:

- (a) Conviction of or plea of no contest to a felony;
- (b) Use or abuse of non-prescription drugs or alcohol that materially affects the performance of Manager's duties;
- (c) Repeated and protracted unexcused absences from the Manager's office and duties;
- (d) Conviction of any criminal offense involving moral turpitude, including entering a plea of no contest or guilty to any such offense or any lesser included offense;
- (e) Demonstrated insubordinate behavior;
- (f) Any intentional or grossly negligent action or inaction that materially and substantially impedes or disrupts the operations of the Town or its departments, is detrimental to employee or public safety, or violates properly established rules or procedures of the Town

causing, or likely having a potential to cause, a material and substantial adverse effect on Town's interests; or

(g) Demonstrated acts of material dishonesty, willful breach of duties, engaging in unlawful discrimination or harassment of employees or others on Town premises.

3. DUTIES.

Town employs Manager to provide any and all work necessary to act as City Manager as set forth in Atherton Municipal Code chapter 2.12 as that chapter may be amended from time to time. Manager shall be the chief executive officer of the Town and be responsible to the City Council for the proper administration of all affairs of the Town. Manager shall endeavor to meet with all management employees and staff, and attend a meeting of each board, commission, or committee, within a reasonable time after hire, and shall meet as appropriate with the City Council to outline goals and objectives.

4. COMPENSATION.

Town shall pay a base salary of One Hundred-sixty Thousand dollars (\$160,000.00) per year, payable in prorated monthly installments, payable at the same intervals and in the same manner as regular employees. Manager shall also receive a temporary monthly living and travel allowance of Two Thousand Five Hundred dollars (\$2,500.00) from the date of hire until June 30, 2013 or until Manager permanently relocates to the Atherton area, whichever comes first. This allowance shall not be reportable as compensation to CalPERS. Manager shall also receive a cellular telephone allowance of up to One Hundred Dollars (\$100.00) per month based on actual cost.

5. EVALUATION.

Manager shall receive an initial six-month performance evaluation from the City Council, and an annual evaluation thereafter. Copies of such performance evaluations shall be placed in Manager's personnel file. The format and method for such evaluations shall be as agreed to by the parties, but should at a minimum discuss goals and expectations of each and review performance of the Manager since the last evaluation.

6. VACATION AND LEAVE.

Town agrees that Manager shall accrue the following leaves comparable to vacation and leaves granted other management employees:

A. Manager shall receive an initial bank of forty (40) hours of vacation which shall accrue at the rate of 80 hours per year for the first two years of service, 120 hours per year for years of service three to seven, and 160 hours per year for service in excess of seven years.

B. Sick leave shall accrue in accordance with the amount of sick leave accruing for other management employees, currently eight hours per month with a cap of 960 hours. There shall be no payout for hours in excess of the cap, including no payout upon separation.

C. Administrative leave of forty (40) hours per fiscal year.

D. Manager shall be entitled to time off for all holidays recognized by Town as such.

7. LIFE INSURANCE.

Town shall provide Manager with a term life and accidental death and dismemberment insurance policy consistent with plans offered other management employees.

8. HOUSING.

In order for Manager to provide oversight and active supervision of Holbrook-Palmer Park, Manager shall at no cost be allowed to occupy the Town-owned house at 160 Watkins Avenue, Atherton, California. Manager will exercise diligence in assuring the security of the park and will take steps to remedy any special problems and/or difficulties experienced with the park's operation as quickly as possible. Manager shall vacate the house within 14 days of the termination of his employment.

Except as otherwise provided herein, Town shall pay all costs for non-routine maintenance, repairs, and upkeep including replacement of major built-in appliances, property or use taxes, fees, and assessments. Manager shall be responsible for all utilities used by Manager while occupying this house (including, but not limited to metered water usage within the house, electricity, gas, cable television service, internet service, and telephone service as such utilities may be connected to the house and used by Manager) and routine maintenance. Town shall provide gardening services.

9. OTHER BENEFITS.

During the term of this Agreement, Town shall provide Manager with health insurance, dental insurance, vision insurance, long-term disability insurance, and retirement benefits (CalPERS) consistent with plans and benefits offered other management employees. It is intended that unless inconsistent with this Agreement, Manager shall receive any and all other benefits provided other non-police managers including any modification, suspension, or discontinuance of any or all of such benefits in the Management Resolution that impact all of the management employees pursuant to revisions of the Management Resolution. Manager shall not receive any post-employment health care benefits.

10. PROFESSIONAL MEETINGS.

Manager is expected to represent the Town at appropriate professional local and state meetings and conferences approved by the City Council, at no cost to Manager.

11. REIMBURSEMENT OF EXPENSES.

Manager shall comply with Town's Purchasing Ordinance with respect to legitimate expenses incurred in the course and scope of his employment, and Town shall pay for or reimburse as appropriate actual and necessary expenses incurred by Manager while acting in the course and scope of his employment and as approved by the City Council. Expenses regarding membership in professional organizations, civic organizations, and service clubs shall be permitted as an expense if authorized in advance by the City Council.

12. INDEMNIFICATION.

Town agrees to indemnify, defend, and hold harmless Manager against any and all claims and legal actions against Manager pursuant to Government Code § 825.

13. ENTIRE AGREEMENT.

The parties agree that this Agreement contains all of the agreements of the parties and cannot be amended or modified except by written amendment or agreement. This Agreement may be amended at any time by the mutual consent of the parties by written amendment.

14. NOTICES.

Any notices pursuant to this Agreement shall be sent by regular mail addressed as follows:

- A. Town: Mayor, 91 Ashfield Road, Atherton, CA 94027.
- B. Manager: George Rodericks, 91 Ashfield Road, Atherton, CA 94027.

15. INTERPRETATION OF AGREEMENT AND FORUM.

This Agreement shall be construed and interpreted in accordance with the laws of California. In the event of any dispute arising from this Agreement, the forum for judicial review shall be the Superior Court, San Mateo County.

16. SEVERABILITY.

If any provision or portion of this Agreement is held invalid by a court of competent jurisdiction, the remainder shall be deemed severable and shall not be affected and shall remain in full force and effect insofar as possible.

17. SURVIVAL.

Many sections of this Agreement are intended by their terms to survive termination of Manager, including but not limited to sections regarding separation or termination of Manager. Such sections shall survive termination of employment and termination of this Agreement.

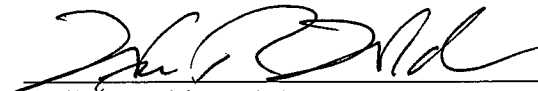
18. CONFLICT OF INTEREST.

Manager shall not engage in any business or transaction, or have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independent judgment or action in the performance of official duties. Manager shall also be subject to conflict of interest provisions of the Political Reform Act of 1974 and Government Code section 1090 as applicable to Manager's employment.

19. EXECUTION.

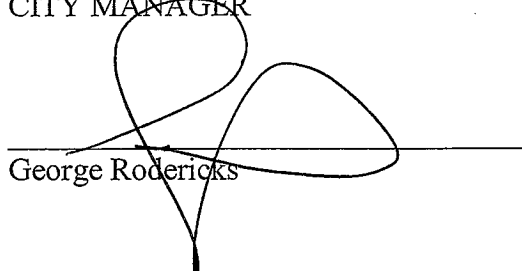
In witness whereof, the parties have executed this Agreement as of the day and year first above written.

TOWN OF ATHERTON



William Widmer, Mayor

CITY MANAGER



George Rodericks

Approved as to form:



William B. Connors, City Attorney