EMPLOYMENT AGREEMENT (CITY ADMINISTRATOR) BETWEEN THE CITY OF BIGGS AND MARK SORENSEN

The City of Biggs, hereinafter referred to as City, by and through its duly elected City Council Members (Council), located at 465 C Street, Biggs, California, and Mark Sorensen (City Administrator), in consideration of the mutual promises made herein, agree as follows:

ARTICLE 1. TERM OF EMPLOYMENT

Section 1.01. Term.

City hereby employs City Administrator and City Administrator hereby accepts employment with City as City Administrator for a period of three (3) years, commencing September 1, 2015 and ending August 30, 2018. The parties agree that not less than 180 days prior to the end of this term, they will meet and confer to discuss extension of this Agreement.

Section 1.02. "Employment Term" – Defined.

As used herein, the phrase "employment term" refers to the entire period of employment of City Administrator by City hereunder, whether terminated earlier as hereinafter provided or extended by mutual agreement between City and City Administrator.

ARTICLE 2. DUTIES AND OBLIGATIONS OF CITY ADMINISTRATOR

Section 2.01. Duties and Obligations.

City Administrator shall serve as the City Administrator. In the capacity of Department Head and Chief Administrative Officer, City Administrator shall do and perform all services, acts or things necessary or advisable to manage and maintain the business of City, subject at all times to the policies set by City and in accordance with applicable law.

Section 2.02. Faithful Performance.

City Administrator agrees that to the best of his ability and experience he will at all times faithfully, loyally and conscientiously perform all of the duties and obligations required of him either expressly or implicitly by the terms of this Agreement.

Section 2.03. Outside Employment.

(a) City Administrator shall devote his entire production time, ability and attention to the business of City during the term of this Agreement; provided, however, upon approval by the Council, that City Administrator may undertake outside activities that do not interfere with the duties and responsibilities of City Administrator's position. Any outside employment shall be presented to the City Council for review.

(b) This agreement shall not be interpreted to prohibit City Administrator from making passive personal investments or conducting private business affairs if those activities do not materially interfere with the services required under this Agreement.

ARTICLE 3. OBLIGATIONS OF CITY

Section 3.01. Compensation, Benefits, Expenses.

City shall provide City Administrator with the compensation, incentives, benefits, and expense reimbursement specified elsewhere in this Agreement.

Section 3.02. Indemnification for City Losses.

City shall indemnify City Administrator for all losses sustained by City Administrator as a direct consequence of the discharge of his duties on City's behalf.

Section 3.03. Performance Evaluation.

City Administrator shall receive an annual performance evaluation by the Council.

Section 3.04. Independent Authority; Limitation.

Pursuant to pertinent State and Local law, City Administrator has the right to exercise his independent authority over the department, subject to the general direction of the City Council.

ARTICLE 4. ANNUAL PERFORMANCE GOALS

Prior to September 30 of each year this Agreement is in place, the Biggs City Council shall develop specific goals, projects and milestones the Council desires the City Administrator to meet for the twelve months following.

This list shall be deemed the City Administrator's Annual Performance Goals and shall be incorporated by reference into and made part of this Agreement.

ARTICLE 5. COMPENSATION OF CITY ADMINISTRATOR

Section 5.01. Compensation.

(a) As compensation for the services to be rendered by City Administrator hereunder, City shall pay City Administrator the rate of $89,000 per year.

(b) Upon mutual Agreement between City and City Administrator, City Administrator's compensation may be adjusted during the term of this Agreement conditioned upon a satisfactory evaluation of his performance by the City Council at the scheduled annual performance evaluations.

(c) City Administrator's salary shall in no event be reduced during the term of this Agreement except as included in a general salary reduction applied to City employees for whom the City Council has the authority to set salaries. In the event of such salary reduction, it shall be at the same percentage applied to other employees.

Section 5.02. Management Leave.

City Administrator shall be entitled to receive 80 hours of Management Leave annually which shall accrue monthly. In consideration of this benefit, City Administrator agrees to release and waive any and all claims or potential claims which did accrue or may have accrued for overtime compensation or any other such claims under the Fair Labor Standards Act or the California Labor Code from the date of City Administrator's initial hire date through the date of this contract.

ARTICLE 6. CITY ADMINISTRATOR BENEFITS

Section 6.01. Vacation.

City Administrator shall be entitled to vacation time accrual at a rate of 12 hours per month. Total accumulated vacation time and management leave, combined, shall not exceed 256 hours. Vacation time and management leave, combined, shall not accrue beyond 256 hours for the length of this contract. Any such vacation time and management leave beyond 256 hours shall be lost.

Section 6.02. Other Benefits.

City Administrator shall receive medical insurance, retirement benefits and all other fringe benefits in amounts and types equal to those of all City employees. City will reimburse City Administrator at the rate of $80 monthly for cell phone/PDA expenses.

ARTICLE 7. TERMINATION OF EMPLOYMENT

Section 7.01. Termination as City Administrator for Cause.

The City Administrator's status as such and all rights under this contract hereunder may be terminated by the City Council at any time upon a material breach of this contract, for the commission of a felony, for a crime involving moral turpitude or for any conduct bringing substantial discredit to the City. The Council shall not terminate this Agreement pursuant to this section until a written statement of grounds for termination has first been served upon the City Administrator. The City Administrator shall then be entitled to a meaningful hearing with the Council and shall have the right to have a representative of his choice at said hearing. The hearing with the Council shall be the City Administrator's exclusive right to any hearing otherwise required by law.

Section 7.02. Early Termination without Cause

Notwithstanding any other provision of the Agreement, the Council, in its discretion, shall have the option to terminate this Agreement at any time during the term hereof, or upon any extension thereof; provided, however, that if the Council does terminate this Agreement, without cause, prior to the expiration of the three (3) year term herein, the Parties agree that the effective date of such termination shall be twelve (12) months from the date of notice of such termination

(notice period). The Council reserves the right to require the City Administrator to continue to provide services under this Agreement during all or part of the twelve (12) month notice period. The Council also reserves the right to reject such services during all or part of the twelve (12) month notice period. Upon such rejection, if any, however, the City shall pay to City Administrator salary only (no other benefits) through the end of the notice period. This provision shall not be construed to extend the term of this Agreement.

Section 7.03. Effect on Compensation If Early Termination

In the event that this Agreement is terminated early, and subject to Section 6.02, City Administrator shall be entitled to the compensation and benefits earned by and vested in him prior to the date of termination as provided for in this Agreement, computed pro rata up to and including that date.

ARTICLE 8. GENERAL PROVISIONS

Section 8.01. Affiliation – Professional Associations.

During the term of this Agreement and any extensions thereof, City Administrator shall maintain membership in good standing in the International City Management Association (ICMA) and shall subscribe to and act in accordance with the Associations' ethics codes, which are attached hereto as Exhibit "A" and incorporated herein by this reference; and membership in and the California City Management Foundation (CCMF). City agrees to pay the costs of such memberships, which in FY2010-11 were $707.33 for ICMA and $400.00 for CCMF. City Administrator shall also maintain membership in good standing in the City Manager's Department of the League of California Cities.

Section 8.02. Notices.

Any notices to be given by either party to the other shall be in writing and may be transmitted either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notice shall be addressed to the City at P.O. Box 307, Biggs, CA 95917. Mailed notice shall be addressed to the City Administrator at 1789 Manzanita Ave, Chico, CA 95926. Each party may change their address by written notice in accordance with this section. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of the date of mailing.

Section 8.03. Attorney's Fees.

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys fees. This provision shall be construed as applicable to the entire contract.

Section 8.04. Agreement an Entirety.

This Agreement supersedes any and all other agreements, either oral or written, between the parties hereto with respect to the employment of City Administrator by City, and contains all

of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embedded herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

Section 8.05. Non-Waiver.

The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power be for all or any other times.

Section 8.06. Effect of Invalidity.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

Section 8.07. Applicability – California Laws.

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year last below written.

Dated: _____

_____
CITY OF BIGGS
Roger L. Frith, Mayor

Dated: _____

_____
CITY ADMINISTRATOR
Mark Sorensen

_____
Approved as to form,
Gregory P. Einhorn, City Attorney