

EMPLOYMENT AGREEMENT ASSISTANT CITY MANAGER

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into, by and between the CITY OF LAGUNA HILLS, a California municipal corporation organized and existing under the laws of the State of California (hereinafter referred to as "City"), and JOSEPH AMES, an individual (hereinafter referred to as "Ames" or "Employee"). City and Ames are sometimes hereinafter individually referred to as "party" and are hereinafter collectively referred to as the "parties." This Agreement will be effective the first day of employment of the City's new permanent City Manager (other than Joseph Ames) selected by the City Council at some point in the future ("Effective Date"),

RECITALS

A. The City desires to continue to retain Ames as the Assistant City Manager which also acts in the capacity of City Engineer and Public Works Director.

B. Ames desires to continue to serve as the Assistant City Manager (also acting in capacity of City Engineer / Public Works Director).

THEREFORE, IT IS AGREED AS FOLLOWS:

1.0: Retention

1.1.: City hereby appoints and retains Ames to continue to serve as Assistant City Manager/City Engineer/Public Works Director of the City of Laguna Hills and Ames hereby accepts such employment with City beginning on the Effective Date, and continuing until Ames or the permanent City Manager terminates this Agreement. Ames is employed by City in an "at-will" capacity serving at the pleasure of the permanent City Manager (to be appointed in the future). Either the City Manager or Employee may terminate this Agreement at any time with or without cause and in its, or his sole, discretion, as set forth in this Agreement.

1.2.: The term of this Agreement shall be three years, unless extended or terminated as provided here. This Term of this Agreement shall be automatically extended for one additional year each year on the anniversary of the Effective Date, unless the City Manager prior to each anniversary of the Effective Date, formally notifies Ames of his/her intention to not extend this Agreement for one additional year. This Agreement may also be terminated at any time by City Manager or Ames as set forth in Section 5 of this Agreement.

2.0: General Duties

Ames shall serve as the Assistant City Manager/City Engineer/Public Works Director of the City of Laguna Hills and perform all responsibilities associated with this position as set forth in the Laguna Hills Municipal Code, the Government Code, City job descriptions, and any other applicable laws of the State of California.

3.0: Salary

3.1.: As compensation for the professional services to be performed hereunder commencing on the Effective Date, City agrees to pay Employee an annual base salary of \$246,822, subject to deductions and withholdings of any and all sums required for federal or state income tax, other deductions or withholdings required by then current state, federal or local law, and paid bi-weekly in accordance with the City's established accounting and payroll practices at the same time and in the same manner as other employees of the City are paid. The City shall also deduct from his annual base salary any applicable sums that Employee is obligated to pay because of participation in plans or programs described in Section 4.0 of this Agreement and Employee hereby authorizes such deductions.

3.2. Employee shall be entitled to receive any Cost of Living or Consumer Price Index adjustments approved by the City Council to the salaries of other Executive Management employees.

4.0: Benefits and Leaves of Absence

4.1.: Employee Benefits

Except as expressly provided for in this Agreement, Employee shall continue to receive all benefits set forth in Resolution No. 2025-06-24-02, as may be amended from time to time by the City Council, and applicable to Executive Management employees, in general. These benefits include, but are not limited to: health insurance (medical, dental, vision), holidays, supplemental retirement contribution, retiree health savings plan, group life and disability insurance, sick leave, and bereavement leave.

4.2.: Carryover of Vacation and Sick Leave

Employee shall retain any vacation and sick leave that he has accrued up to the Effective Date of the Agreement and shall continue to accrue leave pursuant to the terms set forth in Resolution No. 2025-06-24-02, as may be amended from time to time by City Council.

4.3.: General Business Expenses

The City recognizes that Employee may incur expenses of a non-personal, job-related nature (such as payment of dues for participation in professional organizations or fees for attending events organized by professional organizations) that are reasonably necessary to Employee's service to the City. The City agrees to either pay such expenses (supported by documentation) in advance or to reimburse the expenses, so long as the expenses are incurred and submitted according to the City's established expense reimbursement policies and procedures.

4.4.: Administrative Leave Pending an Investigation

Because Employee is an "at-will" employee, the City is not obligated to pay him pending an investigation into any alleged misconduct that he may be accused of engaging in. Notwithstanding the foregoing, in the event that the City Council determines, in its sole discretion, that it is in the best interest of the City for Employee to be placed on paid administrative leave

pending such an investigation, Employee shall fully reimburse any salary provided for that purpose if the misconduct for which Employee was under investigation results in Employee being convicted of a crime involving an abuse of his office or position as defined in Section 5.2 of this Agreement. Employee shall fully reimburse such salary no later than six months after such conviction.

5.0: Termination of Agreement

5.1.: Termination by City Without Cause or For Reasons Other Than "Cause"

If the City Manager terminates this Agreement without cause, or for reasons other than "cause" as defined in Section 5.2 below, Employee shall be entitled to receive Severance Pay in an amount equal to the salary that Employee would have earned in the remaining term of the Agreement, not to exceed six months. Prior to receipt of Severance Pay, Employee must sign a Severance Agreement in the form attached hereto as **Attachment A**.

5.2.: Termination by City For Cause

If the City Manager terminates this Agreement (thereby terminating Employee's employment with cause), or if Employee resigns, Employee shall not be entitled to Severance Pay. As used in this Agreement, "cause" shall mean any of the following:

Conviction of a felony; conviction of a misdemeanor arising out of Employee's duties as defined herein or performance under this Agreement; misappropriation of public funds; willful abandonment of duties consisting of the failure to report to work for five consecutive working days (for reasons not medically related) and not notifying staff and the City Manager of his leave status; a willful and intentional failure to carry out materially significant and legally constituted policy decisions of the City Council made by the City Council; any other intentional or negligent action or inaction by Employee that: (a) materially and substantially impedes or disrupts the operations of the City or its organizational units; (b) is detrimental to employees or public safety; (c) violates properly established rules or procedures of the City causing a material and substantial adverse impact on the City; or (d) has a material and substantial adverse effect on the City's interests as clearly defined and delineated by properly established City Council actions, policies, regulations, or City ordinances.

5.3.: Resignation by Ames

Ames may resign from his employment. Employee agrees, if practicable, to give the City Manager at least thirty days' advance written notice or resign from employment with the City. City Manager may choose to waive this thirty-day notice period and/or place Employee on paid administrative leave through the effective date of the resignation of employment with the City. The City Manager's waiver of this period shall not change Employee's resignation to a termination.

6.0: Indemnification

6.1.: Except for an act of misappropriation of public funds, or an indictment, the filing of an information, a plea of guilty or a plea of nolo contendere for a crime involving moral turpitude,

City shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring within the scope of his employment, using legal counsel of the City's choosing in its sole discretion, in accordance with the provisions of California Government Code Section 825, applicable provisions of the Government Claims Act, and other applicable law. In the event there is a conflict of interest between the City and Employee in such a case such that qualified independent counsel is required for Employee, the City shall pay the reasonable fees of such qualified independent counsel, who shall be mutually chosen by the parties. City may compromise and settle any claim or suit against the Employee and pay the amount of any settlement or judgment rendered therefrom.

6.2.: In the event that the City provides funds for the legal criminal defense of the Employee, Employee shall fully reimburse said funds to the City if Employee is convicted of a crime involving an abuse of his office or position as defined in Section 5.2 of this Agreement. Employee shall fully reimburse to City such criminal legal defense fees no later than six months after such conviction.

7.0: Entire Agreement

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment 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 representation, inducement, promise, or agreement, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein. Any modification of this Agreement shall be effective only if it is in writing and signed by the parties.

8.0 Miscellaneous Provisions

8.1.: Partial 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 without being impaired or invalidated in anyway.

8.2.: Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California and all applicable City regulations, resolutions, and ordinances.

8.3.: Bonding. City shall bear the full cost of any fidelity or other bonds required of Employee under any law or ordinance, or any insurance policies in lieu thereof.

8.4.: City's Policies and Procedures. The terms and conditions of Employee's employment, shall be governed by City's personnel policies and procedures, salary and benefits resolutions, and administrative regulations, to the extent not inconsistent with the provisions of this Agreement. In the event of any such inconsistency or conflict, the provisions of this Agreement shall govern.

8.5.: Enforcement. The prevailing party in any action brought to enforce this Agreement or to resolve any dispute or controversy arising under the terms and conditions hereof shall be entitled to payment of reasonable attorneys' fees and costs.

9.0: Employee's Independent Review

Employee acknowledges that he has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement and has not relied upon representation of the City, its elected or appointed officers and officials, agents or employees, other than those expressly set forth in this Agreement.

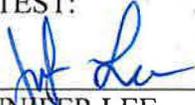
[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date reflected above.

“CITY”
CITY OF LAGUNA HILLS, a California
municipal corporation

By: 

JOSHUA SWEENEY,
Mayor

ATTEST:


JENNIFER LEE
City Clerk

APPROVED AS TO FORM:


GREGORY E. SIMONIAN,
City Attorney

“ASSISTANT CITY MANAGER”
JOSEPH AMES, an individual

By: 

JOSEPH AMES

ATTACHMENT "A"

SEVERANCE AGREEMENT AND GENERAL RELEASE

This Severance Agreement and General Release ("Severance Agreement") is entered into by Joseph Ames ("Assistant City Manager") and City of Laguna Hills ("Employer"), in light of the following facts:

RECITALS

A. Assistant City Manager's employment by Employer, and the Employment Agreement under which he was employed, have been terminated effective _____, 20__.

B. Assistant City Manager is hereby informed that he has 21 days from the effective date of the termination when he received this Agreement to consider it. Employer hereby advises Assistant City Manager to consult with an attorney before signing this Agreement.

C. Assistant City Manager acknowledges that for a period of 7 days following the signing of this Severance Agreement ("Revocation Period"), he may revoke this Severance Agreement. This Severance Agreement shall not become effective or enforceable until the Revocation Period has expired.

D. Assistant City Manager acknowledges that the Salary Payment referenced in paragraph 1 of this Severance Agreement represents all compensation due and payable to him through his termination. Assistant City Manager also acknowledges that Employer has made this Salary Payment without regard to whether he signs this Severance Agreement. The Salary Payment does not constitute consideration for this Severance Agreement.

E. Assistant City Manager acknowledges that the Severance Pay referenced in paragraph 2 of this Severance Agreement is in excess of all amounts that are due and owing to him as a result of his employment by Employer.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Receipt of Salary Payment.** Assistant City Manager hereby acknowledges receipt of a check for all salary and accrued leave owing ("Salary Payment") from Employer as of the effective date of this Severance Agreement (set forth in Recital A, above) pursuant to the Employment Agreement between Assistant City Manager and Employer.

2. **Severance Pay.** Following return to Employer of this Severance Agreement signed by Assistant City Manager and expiration of the Revocation Period, not having been revoked by Assistant City Manager, Employer shall pay the applicable Severance Pay provided for in the Employment Agreement between Assistant City Manager and Employer.

3. **General Release.** In consideration of the Severance Pay to be given to

Assistant City Manager , and other good and valuable consideration, Assistant City Manager hereby releases and discharges Employer and its past and present elected and appointed officials and officers, employees, representatives, agents and attorneys, from all rights, claims, causes of action, and damages, both known and unknown, in law or in equity, concerning and/or arising out of his employment with Employer which he now has, or ever had, including but not limited to any rights, claims, causes of action, or damages arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Fair Labor Standards Act of 1938, the Americans with Disabilities Act, the Meyers-Milias Brown Act, the Vocational Rehabilitation Act of 1973, the Family and Medical Leave Act of 1993, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, or the California Labor Code, under any other federal, state, or local employment practice legislation, or under federal or state common law, including wrongful discharge, express or implied contract, breach of public policy, or violation of due process rights.

Assistant City Manager hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. Assistant City Manager understands and acknowledges the significance and consequences of this specific waiver of Section 1542. Section 1542 of the Civil Code of California states as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of Employer and its past and present elected and appointed officials and officers, employees, representatives, agents and attorneys, Assistant City Manager expressly acknowledges that this General Release is intended to include in its effect, without limitation, all claims which he does not know or suspect to exist in his favor.

Assistant City Manager further acknowledges that he has read this General Release, that he understands that this is a general release, and that he intends to be legally bound by the same.

4. **Fees and Costs.** Assistant City Manager and Employer agree that in the event of litigation relating to this Severance Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

5. **Continuation of Certain Provisions of Employment Agreement.** Employer acknowledges its continuing duty to indemnify Assistant City Manager in accordance with Section 9 of the Employment Agreement notwithstanding this Severance Agreement. Employer further acknowledges its duty with respect to Assistant City Manager to comply with any and all provisions of the Laguna Hills Municipal Code conferring benefits on former employees, if any.

6. **Complete Agreement.** Except for the applicable provisions of the parties' Employment Agreement, which are referenced herein, this is the entire agreement between Assistant City Manager and Employer with respect to the subject matter hereof and this Severance Agreement supersedes all prior and contemporaneous oral and written agreements and discussions.

It may only be amended in writing.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the dates reflected below.

"ASSISTANT CITY MANAGER"

DATED: _____

JOSEPH AMES

"CITY OF LAGUNA HILLS"

DATED: _____

By: _____