CITY OF RIVERSIDE
CITY MANAGER AT WILL EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is entered into this 6th day of December 2022 by and between the CITY OF RIVERSIDE a California charter city and municipal corporation ("Employer" or "City") and Charles M. Futrell ("Employee") an individual, (sometimes collectively "the Parties").

RECITALS

A. The Riverside City Council ("City Council") engaged in an extensive recruitment process for the position of City Manager.

B. After carefully evaluating Employee's knowledge, experience, administrative skills, and abilities finds Employee possesses the requirements necessary for the position of City Manager, which office was created pursuant to Article VI, Section 600 et seq. of the City of Riverside City Charter.

C. Pursuant to Riverside Municipal Code section 2.36.040(B) the City Council, at its regularly scheduled meeting, on December 6, 2022, voted to appoint Employee to the position of City Manager.

D. The Parties mutually agree that this Agreement reflects the terms and conditions under which the Parties intend and desire to employ Employee.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Employee agree as follows:

SECTION 1. AT WILL EMPLOYMENT, DUTIES, AND AUTHORITY

Employer agrees to employ Employee as City Manager upon the effective date of this at-will Employment Agreement. Employee agrees to accept employment as the City Manager of the City of Riverside pursuant to the terms and conditions of this at-will Employment Agreement and agrees to exercise the powers and authority and to perform the functions and duties specified in the City of Riverside City Charter, the Municipal Code and all relevant resolutions, rules, regulations, procedures, applicable job description(s) and state codes, as now existing or hereafter amended. Employee shall exercise such power and authority and perform such other functions and duties, not inconsistent with this Agreement, as Employer, by and through its City Council, may legally assign.

SECTION 2. EFFECTIVE DATE AND TERM

This Agreement shall become effective January 9, 2023 ("Effective Date") subject to City's right to terminate Employee's employment at any time, as provided for in this Agreement. The Term of this Agreement is three (3) years from the Effective Date and may be extended for an additional term as determined by mutual written agreement between the parties. City's election not to extend this Agreement shall not entitle Employee to severance pursuant to Section 8 of this Agreement.

SECTION 3. EXCLUSIVE EMPLOY

Employee agrees to remain in the exclusive employ of the City during the term of this Agreement and neither accept other employment nor to become employed by any other employer unless Employee's employment with the City is terminated. The term "employment" shall not be construed to include occasional teaching, writing, consulting, or military reserve service performed by Employee on Employee's time off.

SECTION 4. COMPENSATION AND PERFORMANCE EVALUATION

A. City agrees to compensate Employee with an annual base salary of $340,000.00 (Three Hundred Forty Thousand Dollars), subject to deduction and withholding of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by the then current state, federal or local law, prorated and paid in the same manner and time as are all other employees of the City under City Resolution No. 21052.

B. Employee is an exempt employee under the Fair Labor Standards Act and shall not be entitled to receive any overtime pay, compensatory time off, or other premium pay or compensation except as set forth in this Agreement.

C. Employer shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 5 of this Agreement. The annual base salary of Employee shall be established by resolution of the City Council.

D. Based on Employee's performance, as determined by City Council in the exercise of its sole discretion, Employee may receive a merit increase which may be negotiated in conjunction with Employee's annual performance evaluation. If Employee receives a merit increase this Agreement and the publicly adopted pay scale required by PERS shall be deemed amended.

E. No later than ninety (90) days following the effective date of this Agreement and annually thereafter, Employee and City, by and through the City Council, shall meet to set mutually agreed upon performance goals and objectives for each year under this Agreement. Thereafter, Employee and Employer, by and through the City Council, shall meet on an annual basis, or at any time or times during the period in which this Agreement remains in effect, for the City Council to conduct an evaluation of Employee's performance. The City Council may provide Employee with a written performance evaluation in such format as the City Council may determine.

F. Employee's compensation as discussed under this Section is not tied to the compensation of any other City employee or group of City employees, except as expressly provided in this Agreement.

SECTION 5. EMPLOYEE BENEFITS

A. Upon the effective date of this Agreement, the City agrees to provide Employee with benefits that are consistent with the benefits provided to the Executive Group pursuant to the Fringe Benefit and Salary Plan ("FBSP") Resolution No. 21052, as the same now exists or hereafter may be

amended, and includes vacation, sick leave, administrative leave, holidays, retirement (PERS) benefits and payments, health, dental, vision, life insurance, deferred compensation plan, and automobile allowance. In addition, City shall make available a long-term disability insurance plan if the same is provided to other City employees in the Executive Group.

1 Vacation: Employee will receive a one-time credit of 80 hours of vacation as of the effective date of this Agreement.

2. Administrative Leave: Employee will receive a one-time credit of 40 hours of Administrative Leave as of the effective date of this Agreement.

3. Relocation: Employee has agreed that it is his intention to establish residence within the corporate boundaries of the city of Riverside within three months of employment, and thereafter maintain residence within the corporate boundaries of the City. Employer will pay Employee a one-time stipend of $10,000 to cover costs of relocation following adoption of this Agreement by City Council; and will reimburse the Employee for one month of COBRA benefits for the month of January 2023, if necessary.

4. Cost of Living Increase: Employee shall be entitled to any approved cost of living increase as set forth in the Riverside City Council Resolution No. 21052 in the same manner as the Executive Group after the effective date of this Agreement.

5. Technology Allowance: City shall provide a monthly Technology Allowance in the amount of $150.00 (One Hundred Fifty Dollars).

6. Housing Allowance: City shall provide a Housing Allowance to Employee up to the not to exceed amount of $15,000.00 (Fifteen Thousand Dollars) to be used on or before January 1, 2024. To be eligible for reimbursement all expenses must be supported by documentation meeting Employer's normal requirements and must be submitted within time limits established by Employer.

7. Automobile Allowance: Employee shall receive an automobile allowance of six hundred twenty-five dollars ($625.00) per month or as may be modified in the future, plus the use of the electric charging facility for electric or hybrid vehicles located in the City Hall Parking Garage.

8. Deferred Compensation: City will make a deferred compensation contribution equal to 457 plan Annual IRS limit into 401A or 457 plan.

   The amount of the Employer Contribution to the 401 (a) Defined Contribution Plan or 457 Plan shall be determined for each calendar year based on:

   a) The annual elective deferral limit for governmental 457(b) deferred compensation plans within the meaning of Section 457(b)(2)(A) of the Internal Revenue Code ("IRC"), as adjusted for the cost-of-living in accordance with Section 457(e)(15) of the IRC, plus

b) Age-50 Catch-Up amount for the year as defined in Section 414(v)(2)(B) of the IRC, as adjusted for the cost-of-living in accordance with Section 414 (v) (2) (C) of the IRC.

The annual amount will be deposited into the 401(a) Plan in 24 equal installments throughout the year.

The Employer contributions will cease upon termination of Employee's employment.

9. Wellness Allowance: The Employer agrees to provide Employee with a Health Reimbursement up to $1,500.00 (One Thousand Five Hundred Dollars) per calendar year for reimbursement of out-of-pocket expenses for Health and Wellness programs including executive physical exams conducted by a qualified physician or medical facility. Funds must be used by December 31st of each calendar year. There will be no carryover of any unused funds.

10. Tuition Reimbursement: City shall provide Employee with Tuition Reimbursement of $5,000.00 (Five Thousand Dollars) per calendar year. To be eligible for reimbursement all expenses must be supported by documentation meeting Employer's policy requirements and must be submitted within the time limits established by Employer.

SECTION 6. GENERAL BUSINESS EXPENSES

A. Employer recognizes that Employee may incur expenses of a non-personal, job-related nature that are reasonably necessary to Employee's service to Employer. Employer agrees to either pay such expenses in advance or to reimburse the expenses, so long as the expenses are incurred and submitted according to Employer's normal expense reimbursement procedures, or such other procedure as may be designated by the City Council. To be eligible for reimbursement, all expenses must be supported by documentation meeting Employer's normal requirements and must be submitted within time limits established by Employer.

B. Subject to annual approval of the Employer's Operating Budget by the City Council, Employer agrees to budget for and to pay for professional dues and subscriptions of the Employee necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for the Employee's continued professional participation, growth, and advancement, and for the good of the Employer, including the International City/County Management Association (ICMA); and Employer agrees to budget for and to pay for travel, registration and subsistence expenses of Employee for professional and official travel, meetings, and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for Employer, including but not limited to the ICMA Annual Conference, the League of California Cities, and such other national, regional, state and local governmental groups and committees in which Employee serves as a Member.

C. The expenses to be budgeted and paid in this Section 6, Paragraphs A and B above, are exclusive of reasonable expenses related to events, participation in organizations, or attendance at events or meetings on behalf of the City as required by the City Council. Employer will separately budget and pay for membership and participation in community, civic or other organizations or events in which Employer requires Employee to participate.

SECTION 7. AT-WILL EMPLOYMENT RELATIONSHIP

A. Consistent with Article VI of the City Charter, Section 600, Employee is appointed by, and serves at the pleasure of, the City Council. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employer to terminate this Agreement and the employment of Employee at any time, with or without Cause, and with or without notice. Employer shall pay Employee for all services through the Effective Date of termination and Employee shall have no right to any additional compensation or payment, except as provided in Section 8, Severance at Termination and General Release Agreement, below.

B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employee to resign from employment with Employer, subject only to Employee's providing thirty (30) calendar days prior written notice to Employer of the effective date of Employee's resignation.

SECTION 8. SEVERANCE AT TERMINATION INCLUDING GENERAL RELEASE AGREEMENT AND MODIFICATIONS

A. Employee understands and agrees that the City Council may terminate this Agreement any time with or without cause or advanced notice by the City Council, and without right of challenge or appeal right of any kind whatsoever. For the purpose of this Agreement, termination shall occur when a majority of the City Council votes to terminate the Employee without cause at a duly authorized public meeting or when a super majority (five (5) affirmative votes) of the City Council votes to terminate the Employee with cause at a duly authorized public meeting. The City Council shall only be required to provide written notice to Employee as to the effective date of termination.

B. If the Employer reduces the base salary, compensation or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all department heads, such action may be regarded as a termination.

C. If either Employee or Employer declares a breach of this Agreement, a 30-day cure period shall be provided for either Employee or Employer to address the alleged breach. Written notice of the breach of Agreement shall be provided in accordance with the provisions of Section 13.

D. In the event this Agreement is terminated, Employee agrees to immediately surrender the position of City Manager and all writings containing information relating to the conduct of the City's business prepared, owned, used, or retained by Employee regardless of physical form or characteristics, and all equipment, tools, or other materials of whatever nature provided to Employee by City in Employee's capacity of City Manager. Employee shall be entitled to receive payment for all hours worked, any holiday pays due and owing, all vacation hours accrued to the date of termination and any deferred compensation contributions made by Employee (including contributions by the City on behalf of the Employee).

E. If Employer terminates this Agreement (thereby terminating Employee's Employment) without cause and if Employee signs, delivers to the City Council, and does not revoke, the General Release Agreement in the form attached hereto as Exhibit A, Employer shall pay Employee a lump sum amount equal to twelve (12) months of Employee's then applicable base salary and the then applicable calendar year 401(a) contribution on the Effective Date of termination (collectively "Severance").

F. If City terminates this Agreement (thereby terminating Employee's Employment) for Cause, City's obligation to pay Employee under paragraph E above shall immediately cease and Employee shall not be entitled to any additional compensation or payment, including Severance pay identified in paragraph E above. As used in this Agreement, Cause shall mean any of the following:

1. Willful misconduct

2. Gross negligence

3. Theft

4. Gross failure to adequately perform job duties

5. Willful abandonment of duties

6. Dishonesty in performing job duties

7. Material violation of the City's written policies or rules

8. Gross conduct that reflects adversely upon or making any remarks grossly disparaging of the City of Riverside

9. Conviction of a felony or any crime involving act(s) of dishonesty, moral turpitude, deceit or fraud,

10. Any willful act that injures the reputation of the City

11. Gross violation of any fiduciary duty

12. Gross violation of any duty of loyalty

13. Conviction of any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4

14. Repeated failure to carry out a directive or directives of City Council made by the City Council as a body.

15. Any grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of Employer or its organizational units; (b) is detrimental to employees or public safety; or (c) violates properly established rules or procedures of Employer.

16. Breach of this Agreement

G. The Employee shall not be terminated pursuant to Section 8A during the 60-day period preceding or following any City election for membership on the City Council, or during the 60-day period preceding or following any change of membership of the City Council.

H. Should Employer withdraw this offer of employment and/or terminate this Agreement prior to January 1, 2023, the Employer shall provide a severance payment to Employee equal to six (6) months' salary at the current rate of pay. Notwithstanding the foregoing, Employer is not required to pay severance pursuant to this Section 8H in the event Employee is terminated pursuant to Section 8F. In addition, Employer is not required to pay severance pursuant to Section 8E in the event Employer withdraws this offer and or terminates this Agreement pursuant to this Section 8H.

I. If Employee terminates this Agreement (thereby terminating Employee's employment), Employee shall not be entitled to any additional compensation or payment, including Severance pay identified in paragraph C above.

J. Upon termination (regardless of reason), Employee shall be compensated for all accrued but unused Administrative and Vacation Leave.

K. Notwithstanding the foregoing, and consistent with Sections 53243 through 53243.3 of the Government Code, Employee shall be required, if convicted of a crime involving an abuse of office or position, to fully reimburse the City for: (1) any paid leave salary offered by the City to the Employee; (2) any funds provided for the legal criminal defense of the Employee; (3) any cash settlement related to the termination that Employee may receive; and (4) any other payments received by Employee from City that in any way relate to the foregoing.

L. No City representative has authority to agree to anything contrary to the at-will employment of Employee set forth in this Agreement unless it is specific, in writing, and signed by the City Council.

SECTION 9. OTHER TERMS AND CONDITIONS

The City Council, in consultation with Employee, may fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the provisions of this Agreement, the City Charter, any ordinance or resolution of City, or any other applicable law.

SECTION 10. NONDISCRIMINATION

Employee agrees that in the performance of Employee's functions and duties, Employee shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age (40) and over, physical disability, mental disability, medical condition, including Acquired Immune Deficiency Syndrome (AIDS), or any condition related thereto, genetic information, marital status, sex, gender, pregnancy, gender identity, gender expression or sexual orientation, and military and veteran's status.

SECTION 11. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the Parties. No promise, representation, warranty, or covenant not included in this Agreement has been or is relied on by any party hereto. If any provision or any portion hereof is held unconstitutional, invalid, or unenforceable, the remainder of the Agreement or portion hereof shall be deemed severable, shall not be affected, and shall remain in full force and effect. This Agreement may only be amended in writing and duly executed by the Parties.

SECTION 12. NO ASSIGNMENT

This Agreement is not assignable by either City or Employee.

SECTION 13. NOTICES

Notice pursuant to this Agreement shall be given by depositing written notification in the custody of the United States Postal Service, postage prepaid, addressed as follows:

EMPLOYER:
City of Riverside

EMPLOYEE:
Charles M. Futrell

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable in civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice during transmission in the United States Postal Service as provided by law.

SECTION 14. GENERAL PROVISIONS

A. Integration: This Agreement sets forth the final, complete, and exclusive agreement between Employer and Employee relating to the employment of Employee by Employer. Any prior discussions or representations by or between the parties are merged into this Agreement or are otherwise rendered null and void. The parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement. The foregoing notwithstanding, Employee acknowledges that, except as expressly provided in this Agreement, Employee's employment is subject to Employer's generally

applicable rules and policies pertaining to employment matters, such as those addressing equal employment opportunity, sexual harassment, and violence in the workplace, as they currently or may in the future exist, and Employee's employment is, and will continue to be, at the will of the City Council.

B. Binding Effect: This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives, and successors in interest.

C. Choice of Law: This Agreement shall be interpreted and construed pursuant to and in accordance with the laws of the State of California and all applicable City Charter provisions, Codes, Ordinances, Policies and Resolutions.

D. Severability: If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

E. Conflict with City Charter or Municipal Code. The City personnel ordinances, resolutions, rules, and policies shall apply to Employee in the same manner as applied to other Executive Management employees, provided, however, in the event of a conflict between the provisions of this Agreement and the City Charter, or this Agreement and the Municipal Code, the City Charter or the Municipal Code shall prevail over this Agreement.

F. Employee's Independent Review: Employee acknowledges that Employee has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement. Employee acknowledges that Employee has made an independent judgment upon the financial and legal effects of this Agreement and has not relied upon any representation of Employer, its officers, agents, or employees other than those expressly set forth in this Agreement. Employee acknowledges that Employee has been advised to obtain, and has availed him/herself of, legal advice with respect to the terms and provisions of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the dates reflected below each signature.

EMPLOYER:
CITY OF RIVERSIDE
A California Charter Municipal Corporation

BY: _____
Patricia Lock Dawson
Mayor

BY: _____
Ronaldo Fierro
Mayor Pro Tem

ATTEST:

BY: _____

DONESIA GAUSE
City Clerk

EMPLOYEE:

BY: _____
Charles M. Futrell

APPROVED AS TO FORM:

BY: _____
PHAEDRA A. NORTON
City Attorney

EXHIBIT A

GENERAL RELEASE AGREEMENT

This General Release Agreement ("Agreement") is entered into by and between Charles M. Futrell ("Employee") and the City of Riverside ("Employer"), considering the following facts:

A. Employee's employment with Employer concluded on _____.

B. Certain disputes have arisen between Employer and Employee.

C. Employer and Employee each deny any liability whatsoever to the other.

D. Employer and Employee wish to resolve fully and finally all disputes they may have with each other.

E. Employee is hereby informed that Employee has twenty-one (21) days from receipt of this Agreement to consider it. Employer hereby advises Employee to consult with legal counsel before signing this Agreement.

F. Employee acknowledges that for a period of seven (7) days following the signing of this Agreement ("Revocation Period"), Employee may revoke the Agreement. This Agreement shall not become effective or enforceable until the day the Revocation Period has expired.

G. Employee acknowledges that the Salary Payment referenced in paragraph 1 of this Agreement represents all compensation, including salary, accrued benefit balances and reimbursed expenses, due and payable to Employee through the date of employment termination. Employee also acknowledges that Employer has made this Salary Payment without regard to whether she signs this Agreement. The Salary Payment does not constitute consideration for this Agreement. Employee acknowledges that the Severance referenced in paragraph 2 of this Agreement is more than all amounts that are due and owing to Employee because of Employee's employment by Employer.

1. Receipt of Salary Payment: Employee hereby acknowledges receipt of a check or checks for all compensation owing to Employee, including salary, accrued benefit balances and reimbursed expenses ("Salary Payment") from Employer.

2. Severance: Within ten (10) days following Employee's signing, delivering to the City Council, and not revoking this Agreement, City shall pay Employee the gross amount provided for in Section 8C of the attached Employment Agreement, less applicable deductions ("Severance"). Employee acknowledges that the Severance is more than all amounts due and owing Employee because of his employment by Employer.

3. General Release: In consideration of the Severance to be paid and provided to Employee, and other good and valuable consideration, Employee hereby releases and discharges Employer and its past and present City Council Members, employees, representatives and agents, 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 Employee 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 Vocational Rehabilitation Act of 1973, the Employee Retirement Income Security Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefits Protection Act, the Family and Medical Leave Act of 1993, the Domestic Partners Act of 2003, the California Labor Code, the Private Attorneys General Act of 2004, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, any other federal, state, or local employment practice legislation, or any federal or state common law, including wrongful discharge, breach of express or implied contract, or breach of public policy.

Employee hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. Employee 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 or her favor at the time of executing the release, which if known by him or her must have materially affected his or her 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 City Council Members, employees, representatives and agents, Employee expressly acknowledges that this General Release is intended to include in its effect, without limitation, all claims which Employee does not know or suspect to exist in Employee's favor.

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

4. Fees and Costs: Employee and Employer agree that in the event of litigation relating to this General Release Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs.

EMPLOYER:
CITY OF RIVERSIDE
A California Charter Municipal Corporation

BY: _____
Patricia Lock Dawson
Mayor

EMPLOYEE:

BY: _____
Charles M. Futrell

ATTEST:

BY: _____

DONESIA GAUSE
City Clerk

APPROVED AS TO FORM:

BY: _____

PHAEDRA A. NORTON
City Attorney