

EMPLOYMENT AGREEMENT

This Employment Agreement is entered into by and between the Town of Danville, a municipal corporation (hereinafter referred to as "Town") and Joseph A. Calabrigo (hereinafter referred to as "Manager").

A. Recitals

1. Manager was appointed Chief Executive Officer of the Town effective April 8, 1993.
2. Town desires to provide certain benefits, establish certain conditions of employment, and set forth working conditions of said Manager.
3. Town desires to (1) secure and retain the services of Manager and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring Manager's morale and peace of mind with respect to future security, and (3) to provide just means for terminating Manager's services.
4. This agreement is effective as of April 8, 2019.
5. In order to more clearly state the original intent of the parties with respect to allocation of Manager's supplemental benefit allowance, Town and Manager desire to reform their agreement by adding clarifying language to paragraph 7 herein.

B. Agreement

Now therefore, the parties agree as follows:


1. **Term:**
 - (a) Town Manager agrees to remain in the exclusive employ of the Town for a three-year period beginning April 8, 2019 and shall not seek other employment prior to expiration of that date.
 - (b) Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Town Council to terminate the services of the Town Manager at any time, subject to the provisions set forth in Section 3 of this Agreement.
 - (c) Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Town Manager to resign at any time from this position with the Town, subject only to the provisions set forth in Section 4 of this Agreement.
2. **Duties:** Manager shall discharge the duties and obligations required by Chapter 2, Title 2, Sections 2-201 through 2-110 of the Danville Municipal Code.

3. **Termination and Severance Pay:** The Town Council shall have the right to terminate this Agreement at any time by four-fifths (4/5) vote of such Council. Notwithstanding the foregoing, this Agreement shall not be terminated by the Town within six (6) months following any municipal election at which any seat or seats on the Town Council are contested, it being the purpose hereof to allow the Council adequate time to objectively assess Manager's performance. In the event this Agreement is terminated by the Town, Town shall pay Manager the equivalent of six (6) months current aggregate salary and accrued benefits plus one (1) month's current aggregate salary and accrued benefits for each completed year of service commencing April 8, 1993, to a maximum of twelve (12) additional months. Town may terminate this Agreement without obligation to make any cash payment to Manager, upon Manager's conviction of any illegal act involving personal gain to him or moral turpitude. If Manager commences employment with another governmental agency, severance amounts shall be limited to time elapsed between termination of employment with the Town and start of new employment.
4. **Resignation:** In the event Manager voluntarily resigns his position with the Town, then the Manager shall give the Town sixty (60) days written notice, unless the parties agree otherwise.
5. **Salary:** Manager shall be paid a base salary of twenty thousand three hundred dollars (\$20,300) per month. The Manager shall receive consideration for a performance-based increase in compensation at least once per year at a time determined by the Town Council, with any change in compensation to be set by Town Council Resolution, effective on the anniversary date of this agreement. For the second year of this agreement, Manager's salary shall be adjusted by an amount equal to the change in San Francisco - Oakland - San Jose Consumer Price Index - All Urban Consumers (not to exceed 2.5%).
6. **Health Benefits:** Manager shall be entitled to the same health benefits authorized by the Town Council for other employees.
7. **Supplemental Benefit Allowance:** In lieu of participation in a defined benefit pension plan, the Town shall provide a monthly benefit allowance equivalent to 35% of Manager's base pay. Of that amount, up to 35% shall represent the Town's contribution to the Town's defined contribution pension plan, while any remainder shall be used by the Manager to purchase other fringe benefits of his choice, not otherwise provided by the Town for regular employees. Subject to approval by the Town Council, Manager may convert some or all of the supplemental benefit allowance to cash without increasing the fiscal obligation of the Town.
8. **Automobile Allowance:** Town shall provide an automobile allowance in the amount of four hundred and fifty (\$450.00) dollars per month. This shall be the sole obligation of the Town to reimburse Manager for use of his personal vehicle for official business.

9. **Expense Reimbursement:** Manager shall be reimbursed by Town for reasonable actual expenses incurred in performance on behalf of the Town, including necessary expenses for authorized travel.
10. **Leave:** Manager shall be provided with General Leave for vacation, illness or other purposes totaling 40 days per year. Manager shall be entitled to the same number of paid holidays and administrative leave days authorized by the Town Council for other employees. Manager may, at his option: 1) convert a maximum of four weeks accrued General Leave per year to the full cash value of such converted General Leave; and/or 2) utilize accrued General Leave to make current 457 contributions.
11. **Retirement Medical Insurance:** Subject to the limitations contained in this paragraph, Town shall provide Manager with medical insurance upon his retirement. In order to pay for this medical insurance, the Town shall establish a fund for this purpose in an amount equal to 4% of Manager's annual compensation. This fund shall be under the control of the Town at all times, and shall remain an asset of the Town subject to the claims of its general creditors. The fund shall be invested by the Town Treasurer until the Manager's retirement. At that time, the fund shall be used to purchase medical insurance for the Manager and dependents. The Town's obligation to provide medical insurance to the Manager and dependents shall be limited to the amount in the fund, including earnings. Should the Manager die before the amount in the fund is fully spent, any balance remaining shall be paid to the Manager's spouse or heirs as a death benefit. For purposes of this paragraph, retirement shall be defined as described in the Town of Danville's Personnel Policies and Procedures.
12. **Life Insurance.** Town shall provide term life insurance coverage in the amount of \$300,000.
13. **Professional Development.** Town shall pay for professional dues and subscriptions of Manager for his continued participation in organizations necessary for his professional growth and advancement and for the good of the Town. Town shall pay travel and subsistence expenses of Manager to participate in the annual Conference of the International City Management Association, provided such conference shall take place within the United States or Canada.
14. **Outside Employment:** Manager shall not engage in outside employment without prior approval of the Town Council.
15. **Economic Necessity:** In the event that the Town at any time during the term of this agreement: a) is unable to increase the annual compensation of all employees because of economic necessity, the Manager's compensation shall not be increased; or b) reduces compensation of all employees because of economic necessity, the Town Council may, at its discretion, reduce the Manager's compensation by the equivalent percentage applicable to all other employees.

16. **Performance Review:** Town Council shall review and evaluate the performance of the Manager at least once annually. Said review and evaluation shall be based upon goals and objectives of the Town and performance objectives of the Manager as jointly developed by the Town Council and the Manager. The objective of said performance reviews shall be to maintain an optimal working relationship, and a mutual understanding and agreement on duties, responsibilities and priorities between Manager and Town Council. The form of review shall be that which is mutually agreeable to the parties.
17. **Hold Harmless:** Town shall hold harmless and defend Manager from any claim or judgment made against Manager and/or the Town and Manager to the extent that the claim or judgment results from the Manager's performance of his lawful duties in accordance with Chapter 2, Title 2, et al of the Danville Municipal Code.
18. **Legal Costs:** Should either party seek to enforce this agreement or any provision or provisions of the agreement in a court of law and prevail therein, that party shall be entitled to recover from the other party reasonable court costs and attorney's fees as may be fixed by the court.
19. **Entire Agreement:** If any provision or any portion thereof, contained in this agreement is held unconstitutional, invalid or unenforceable, the remainder of this agreement shall not be affected and shall remain in full force and effect.

Approved by the Danville Town Council through Resolution No. 8-2019, on February 19, 2019. In witness whereof, the parties hereto have executed this agreement.



Robert Storer
Mayor



Joseph A. Calabrigo
Town Manager

ATTEST:



Robert B. Ewing
City Attorney