

CITY OF  RANCHO PALOS VERDES  
OFFICE OF THE CITY CLERK

February 6, 2015

Douglas Willmore  
6230 Wilshire Boulevard, Unit 1775  
Los Angeles, CA 90048

Subject: City Manager Employment Agreement between the City of Rancho Palos Verdes and Douglas Willmore

Dear Mr. Willmore:

Enclosed is a fully executed copy of the above referred to agreement that was approved by the City Council at its February 3, 2015 meeting.

If you have any questions about this agreement, please contact Carol Lynch of our City Attorney's Office at (213) 626-8484.

Yours very truly,



Carla Morreale  
City Clerk

cc: Carol Lynch (with attachment)

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**EMPLOYMENT AGREEMENT BETWEEN  
THE CITY OF RANCHO PALOS VERDES AND DOUGLAS WILLMORE**

This Employment Agreement ("Agreement") is made and entered into as of March 1, 2015, by and between the City of Rancho Palos Verdes, a California municipal corporation ("CITY" or "EMPLOYER"), and Douglas Willmore, an individual ("EMPLOYEE"). EMPLOYER and EMPLOYEE are referred to collectively as the Parties.

**RECITALS**

- A. After a formal recruitment and selection process, the City Council of the City of Rancho Palos Verdes ("City Council" or "COUNCIL") selected EMPLOYEE to serve as City Manager commencing March 1, 2015.
- B. EMPLOYEE has the requisite skills and experience and is otherwise qualified to serve as City Manager.

THEREFORE, in consideration of the mutual covenants and conditions herein contained, EMPLOYER and EMPLOYEE agree as follows:

**SECTION 1. DUTIES**

EMPLOYER hereby agrees to retain the services of EMPLOYEE as City Manager of the City of Rancho Palos Verdes to perform the functions and duties specified in Chapter 2.08 of the Rancho Palos Verdes Municipal Code, as is currently in effect and as may be amended from time to time, and to perform such other legally permissible and proper duties and functions as the COUNCIL shall from time to time assign. EMPLOYEE shall also serve as Executive Director of any authority or agency created by or staffed by EMPLOYER, including the Successor Agency to the Rancho Palos Verdes Redevelopment Agency and the Rancho Palos Verdes Improvement Authority.

**SECTION 2. TERM**

- A. The term of this Agreement shall commence on March 1, 2015 and shall continue indefinitely from year to year unless terminated by EMPLOYER or EMPLOYEE as provided herein.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the COUNCIL to terminate the services of EMPLOYEE at any time for cause, or without cause upon ninety (90) days advance written notice, subject only to the provisions set forth in Section 4, paragraphs A, B and D of this Agreement.

C. Unless EMPLOYEE has provided notice to EMPLOYER as required by Section 4, paragraph C, EMPLOYEE agrees to remain in the exclusive employment of EMPLOYER and neither to accept other employment nor to become employed by any other employer while employed by EMPLOYER. The prohibition against other employment shall not be construed to prevent occasional teaching, writing, or consulting performed on Employee's time off in accordance with Section 8 of this Agreement.

### **SECTION 3. SUSPENSION**

EMPLOYER may suspend EMPLOYEE in accordance with the provisions of Section 2.08.130 of Chapter 2.08 of Title 2 of the Rancho Palos Verdes Municipal Code.

### **SECTION 4. TERMINATION AND SEVERANCE PAY**

A. Consistent with California Government Code Section 36506, EMPLOYEE is appointed by and serves at the pleasure of the City Council as an at-will employee. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of EMPLOYER to terminate this Agreement and the employment of EMPLOYEE, with or without cause. 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 this Section 4. In the event that EMPLOYEE is terminated by the COUNCIL without cause at or during such time that EMPLOYEE is willing and able to perform his duties under this Agreement, then in that event, EMPLOYER agrees to pay EMPLOYEE a lump sum cash payment equal to six months (6) month's salary, provided EMPLOYEE has executed a full and final release of any and all actual or potential claims that EMPLOYEE has or could have against EMPLOYER. Also, in the event EMPLOYEE and EMPLOYEE'S dependents are covered under EMPLOYER'S health plan(s), and in addition to the described lump sum payment, EMPLOYER shall provide for continuation of health plans for six months after the date of termination or until EMPLOYEE obtains other employment, whichever occurs first. EMPLOYER, at its option, may provide for health benefit continuation through appropriate EMPLOYER contribution to COBRA coverage or by maintaining EMPLOYEE on EMPLOYER'S payroll roster for such insurance benefits only. Only in the event that EMPLOYEE is terminated because of a material breach of this Agreement on his part, or because he has been convicted of a felony or any crime involving moral turpitude during the term hereof, shall EMPLOYER be relieved of the obligation to pay EMPLOYEE the benefits or the severance sum designated in this paragraph.

B. In the event EMPLOYER, at any time during the term of this Agreement, reduces the salary or other financial benefits of EMPLOYEE in a greater percentage

than an applicable across the board reduction for all employees of EMPLOYER, or in the event EMPLOYER refuses, following written notice, to comply with any other provision herein benefiting EMPLOYEE, or in the event that the COUNCIL substantially reduces EMPLOYEE'S responsibilities, or in the event EMPLOYEE resigns following a suggestion or request by the COUNCIL that he resign, then EMPLOYEE may, at his option, be deemed "terminated" within the meaning and context of the herein severance pay provisions as of the date of such reduction of benefits, refusal to comply with the provisions of this Agreement, substantial reduction of responsibilities, or suggestion or request by the COUNCIL to resign.

C. In the event EMPLOYEE voluntarily resigns his position with EMPLOYER, then EMPLOYEE shall give EMPLOYER three (3) months written notice in advance unless EMPLOYER and EMPLOYEE mutually agree in writing to a reduction of the notice period. If EMPLOYEE terminates this Agreement (thereby terminating EMPLOYEE'S Employment), EMPLOYEE shall not be entitled to any severance.

D. Any other term of the Employment Agreement notwithstanding, the maximum severance that EMPLOYEE may receive under this Agreement shall not exceed the limitations provided in Government Code Sections 53260 – 53264, or other applicable law. Further, in the event Employee is convicted of a crime involving an abuse of office or position, Employee shall reimburse the CITY for any paid leave or cash settlement (including severance), as provided by Government Code Sections 53243 – 53243.4.

## **SECTION 5. DISABILITY**

If EMPLOYEE is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four consecutive weeks beyond any accrued sick leave, EMPLOYER shall have the option to terminate this Agreement, subject to the severance pay requirements of Section 4, paragraph A, and the provision of health benefits as set forth in paragraph A of Section 4. However, EMPLOYEE shall be compensated for any accrued vacation, holiday, and other accrued benefits, if any, in accordance with EMPLOYER'S personnel rules, which are applicable to management employees and in effect at the time of such termination.

## **SECTION 6. SALARY**

A. EMPLOYER agrees to pay EMPLOYEE for his services rendered pursuant to this Agreement, an annual salary of two hundred fifteen thousand dollars (\$215,000), subject to legally permissible or required deductions and withholding, prorated and paid on CITY'S normal paydays. EMPLOYEE'S salary is compensation for all hours worked. EMPLOYEE shall be exempt from the overtime pay provisions of California law, if any, and federal law.

B. In recognition of accomplishments and excellent performance, merit increases may be granted to EMPLOYEE by COUNCIL. EMPLOYER agrees that EMPLOYEE'S salary shall be reviewed at the same time that EMPLOYEE'S performance is reviewed pursuant to Section 7.

## **SECTION 7. PERFORMANCE EVALUATION**

A. Immediately following the commencement of EMPLOYEE'S employment with EMPLOYER, CITY COUNCIL and EMPLOYEE shall discuss the CITY'S goals and objectives for the next year. Beginning on the first anniversary of the commencement of EMPLOYEE'S employment with CITY, COUNCIL and EMPLOYEE shall define annually the goals and objectives that they determine are appropriate for the proper operation of the CITY and to attain the COUNCIL'S policy objectives. Concurrently with the establishment of the goals and objectives for the CITY, COUNCIL and EMPLOYEE shall establish the performance goals for EMPLOYEE and any specific criteria that shall be used to evaluate EMPLOYEE'S performance. COUNCIL may amend said criteria from time to time, after consultation with EMPLOYEE.

B. The parties agree that the COUNCIL'S failure to carry out the provisions of this Section 7 shall not be deemed a breach of this Agreement or a waiver of its right to conduct a performance evaluation as authorized by the Municipal Code and this Agreement.

C. Such evaluation shall be discussed with EMPLOYEE, and an opportunity shall be provided to EMPLOYEE to respond to any aspect of said evaluation. It is the intention of COUNCIL that so long as authorized by Section 54957 of the California Government Code, or any other statutory provision, such performance evaluation shall be conducted in closed session.

## **SECTION 8. OUTSIDE ACTIVITIES**

EMPLOYEE shall not spend more than an average of four hours per week in teaching, counseling or other non-EMPLOYER related business without the prior approval of the COUNCIL.

## **SECTION 9. AUTOMOBILE**

EMPLOYEE shall provide and have at his disposal for use for City business a clean, presentable and well-maintained automobile. EMPLOYEE shall be responsible for all costs of maintenance and operation of said vehicle. During the term of this Agreement, EMPLOYEE shall secure and maintain, at EMPLOYEE'S expense, automobile insurance in accordance with the requirements of Rancho Palos Verdes Administrative Instruction No. 8-02, and the minimum insurance requirements established by State law, whichever is greater, and shall provide satisfactory evidence of such automobile insurance to EMPLOYER. EMPLOYER shall pay to EMPLOYEE the amount of \$700.00 per month to compensate EMPLOYEE for the use of EMPLOYEE'S automobile for City business, including, but not limited to, all applicable costs of automobile liability insurance, maintenance, operating expenses, depreciation and interest.

## **SECTION 10. ELECTRONIC DEVICES**

Other than the desktop computer and telephone system that are located in EMPLOYEE'S office at City Hall, EMPLOYEE shall supply at his own expense and be responsible for his own cellular telephone and other electronic devices that are used for communication purposes.

## **SECTION 11. BENEFITS GENERALLY**

A. Except as specifically provided otherwise in this Agreement, EMPLOYEE shall receive all employment benefits that have been approved by COUNCIL for other management employees, as set forth in the City's Management Employee Personnel Rules and Resolution No. 97-93, as they now exist and from time to time as they may be amended by COUNCIL. If at any time such benefits exceed the benefits stated herein, they shall immediately apply to EMPLOYEE.

The provisions of this Section 11 exclude any automatic adjustments to EMPLOYEE'S salary; such increases, if any, shall be determined by the COUNCIL, in its sole discretion, in accordance with the provisions of paragraph B of Section 6.

B. EMPLOYEE shall accrue vacation leave at the rate of twenty days per year. The vacation leave granted to EMPLOYEE may be used by EMPLOYEE at his discretion, always considering the best interests of the City. EMPLOYEE shall notify the Mayor and the Council whenever vacation leave is to be taken. If not used, said vacation leave shall continue to accrue up to a maximum of two year's allocation (40 days). Upon termination of EMPLOYEE'S employment under this Agreement, EMPLOYER shall pay EMPLOYEE, at the rate of compensation then being earned by EMPLOYEE, for all accrued and unused vacation leave.

C. EMPLOYER recognizes that EMPLOYEE may incur certain expenses of a non-personal and job related nature. EMPLOYER agrees to reimburse or to pay such reasonable business expenses, which are incurred and submitted according to EMPLOYER'S normal expense reimbursement procedures. 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.

D. Bonding. EMPLOYER shall bear the full costs of any fidelity or other bonds required of EMPLOYEE (if any) under any law or ordinance by virtue of his employment as City Manager.

E. EMPLOYEE may participate in the deferred compensation plan(s) to which CITY employees may contribute in the same manner as other CITY employees.

F. EMPLOYEE is granted 80 hours of Administrative Leave for each CITY fiscal year that EMPLOYEE is employed by EMPLOYER. EMPLOYEE shall consider the workload and obligations of the City Manager's Department and the best interests of the CITY when EMPLOYEE schedules his Administrative Leave. Like other CITY employees, EMPLOYEE'S Administrative Leave may not be accumulated or carried over to the next fiscal year. Upon termination of EMPLOYEE'S employment, EMPLOYEE shall not be granted and, accordingly is not entitled to be paid for, unused Administrative Leave. Administrative Leave may be used for vacation and for medical appointments, disability leave and leaves provided pursuant to the federal and California family and medical leave statutes. EMPLOYEE shall notify the Mayor and the Council whenever Administrative Leave exceeding twenty-four hours in length is to be taken.

G. EMPLOYEE shall be granted sick leave in the same manner as other CITY management employees. Unused sick leave shall carry forward, but no more than 720 hours shall ever be accumulated. There shall be no payout of unused sick leave upon separation from the CITY. EMPLOYEE shall notify the Mayor and the Council whenever sick leave exceeding twenty-four hours in length is to be taken.

## **SECTION 12. MOVING ALLOWANCE**

EMPLOYEE currently lives within 30 miles of the CITY. Accordingly, EMPLOYEE does not plan to relocate from his current residence and will not be required to do so as long as he continues to reside within 30 miles of the CITY. However, if EMPLOYEE moves his residence to the CITY within one year of the commencement of this AGREEMENT, EMPLOYER shall reimburse or pay the expenses of moving his family and personal property, as follows:

Moving Allowance. In consideration for relocation to the City, EMPLOYER shall reimburse or pay for actual and reasonable moving expenses to transport household items, not to exceed a total cost of \$10,000.00. To be eligible for reimbursement, moving expenses must be incurred within one year of the effective date of this Agreement and must be submitted to EMPLOYER for reimbursement, along with reasonable documentation, within six months after being incurred. COUNCIL, in its sole and absolute discretion, may extend these time limits for circumstances outside of EMPLOYEE'S control. If such moving expenses have been reimbursed by EMPLOYER, and EMPLOYEE terminates his employment with EMPLOYER before March 1, 2016, then EMPLOYEE shall reimburse EMPLOYER for the amounts previously paid to EMPLOYEE pursuant to this paragraph C with a pro rata reduction of 1/12<sup>th</sup> of the total expenses paid by EMPLOYER for each full month that EMPLOYEE remains employed by City. All applicable IRS regulations will apply to these temporary benefits, and none of these benefits shall be compensation that is subject to PERS.

### **SECTION 13. DUES AND SUBSCRIPTIONS**

EMPLOYER agrees to budget and pay for the professional dues and subscriptions of EMPLOYEE necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and advancement, including the acceptance and performance of duties related to such associations and organizations and for the good of EMPLOYER. EMPLOYEE shall provide written notice to COUNCIL of the organizations and subscriptions that are being reimbursed by EMPLOYER pursuant to this Section 13.

### **SECTION 14. PROFESSIONAL DEVELOPMENT**

EMPLOYER hereby agrees to budget for and pay the travel and subsistence expenses in accordance with the COUNCIL-approved travel policy, as contained in the Administrative Manual and City resolutions, for professional and official travel and meetings and occasions adequate to continue the professional development of EMPLOYEE and to adequately pursue necessary official duties and other functions for EMPLOYER. EMPLOYEE shall provide written notice to COUNCIL of the expenditures that EMPLOYEE incurs pursuant to this Section 14.

### **SECTION 15. INDEMNIFICATION**

Except as otherwise permitted, provided, limited or required by law, including, without limitation, California Government Code Sections 825, 995, and 995.2 through 995.8, EMPLOYER will defend and pay any costs and judgments assessed against EMPLOYEE arising out of an act or omission by EMPLOYEE occurring in the



course and scope of EMPLOYEE'S performance of his duties under this Agreement. However, in the event CITY provides funds for legal criminal defense pursuant to this Section 15 or the terms of the Government Code, EMPLOYEE shall reimburse EMPLOYER for such legal criminal defense funds, if EMPLOYEE is convicted of a crime involving an abuse of office or position, as provided by Government Code Sections 53243 – 53243.4

## **SECTION 16. OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

The COUNCIL, in consultation with EMPLOYEE, shall fix any other terms and conditions of employment as it may determine from time to time to be appropriate, relating to the performance of EMPLOYEE, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, City ordinances or any other law.

## **SECTION 17. NOTICES**

Any notice to EMPLOYER under this Agreement shall be given in writing to EMPLOYER, either by personal service or by registered or certified mail, postage prepaid, addressed to the City Clerk at the address listed below. A courtesy copy shall be given to the City Attorney in a like manner. Any such notice to EMPLOYEE shall be given in a like manner and, if mailed, shall be addressed to EMPLOYEE at his home address then shown in City's files. EMPLOYEE'S current address is set forth below. For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given (a) on the date of delivery, if served personally on the party to whom notice is to be given, or (b) on the third calendar day after mailing, if mailed to the party to whom the notice is to be given in the manner provided in this section.

EMPLOYER: Mayor and City Council  
City of Rancho Palos Verdes  
30940 Hawthorne Boulevard  
Rancho Palos Verdes, CA 90275

EMPLOYEE: Douglas Willmore  
6230 Wilshire Boulevard, Unit 1775  
Los Angeles, California 90048

## **SECTION 18. GENERAL PROVISIONS**

A. This Agreement contains the entire agreement between the parties and supersedes all prior oral and written agreements, understandings, commitments, and

practices between the parties concerning EMPLOYEE'S employment with EMPLOYER. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or written, have been made by any party, or anyone acting on behalf of any party, that are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding on either party.

B. No amendments to this Agreement may be made except as mutually agreed to in writing, signed and dated by EMPLOYER and EMPLOYEE.

C. This Agreement shall be binding on and inure to the benefit of the heirs at law and executors of EMPLOYEE.

D. This Agreement shall become effective commencing the 1<sup>st</sup> day of March, 2015.

E. Notwithstanding anything in this Agreement to the contrary, unless EMPLOYEE agrees otherwise or unless notice of termination has been given prior to any City Council election, EMPLOYEE shall be retained for a minimum of three months following any such election.

F. If any provision of this Agreement, or portion thereof, is held invalid or unenforceable for any reason, including that the provision or portion conflicts with federal or state law, the remainder of this Agreement shall be deemed severable and shall remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

G. This Agreement sets forth the final, complete and exclusive agreement between EMPLOYER and EMPLOYEE relating to the employment of EMPLOYEE as City Manager by CITY. Any prior discussions or representations by or between the parties are merged into or rendered null and void by this Agreement. The foregoing notwithstanding, EMPLOYEE acknowledges that, except as expressly provided in this Agreement, his 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.

H. This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the substantive laws of the State of California, without giving effect to conflict of laws principles. Any legal action to enforce the provisions of this Agreement shall be filed in any court of competent jurisdiction in Los Angeles County.

I. None of the Parties hereto shall be deemed to be the drafter of this Agreement as it will be deemed jointly drafted with each party having the right of review and consultation with counsel of their choosing. The terms of this Agreement shall not be interpreted or construed in favor of, or against, any Party hereto. Should any provision of this Agreement be found to be ambiguous in any way, such ambiguity shall not be resolved by construing this Agreement in favor of or against any Party herein, but rather by construing the terms of this Agreement as a whole according to their fair meaning.

J. EMPLOYEE acknowledges that he has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement. EMPLOYEE acknowledges that he 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.


IN WITNESS WHEREOF, the City Council of the City of Rancho Palos Verdes, California, has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and EMPLOYEE has signed and executed this Agreement, as of the date and year first above written.

Dated: 2/4/15

CITY OF RANCHO PALOS VERDES  
(EMPLOYER)


  
MAYOR

ATTEST:  
  
CITY CLERK

APPROVED AS TO FORM:  
  
CITY ATTORNEY

Dated: 2/3/15

EMPLOYEE



DOUGLAS WILLMORE