

**CITY OF ORANGE
AGREEMENT FOR EMPLOYMENT
OF CITY MANAGER**

THIS AGREEMENT FOR EMPLOYMENT (“Agreement”) is made and entered into effective June 24, 2025 (“Effective Date”), by and between the City of Orange, a municipal corporation (“City”) and Jarad L. Hildenbrand, an individual. In consideration of the respective and mutual covenants hereinafter contained and made, and subject to all the terms and conditions hereof, the parties agree as follows:

1. Term.

a. The City Council of the City hereby appoints Jarad L. Hildenbrand as the City Manager of the City (hereafter “City Manager”) for a period commencing on August 11, 2025, and expiring on August 11, 2028, unless extended or terminated as provided herein. On August 11, 2026, and annually on each succeeding August 11th while this agreement is effective, the Term of this Agreement shall be automatically extended for one additional year. For example, on August 11, 2026, the Term of this agreement shall be automatically extended until August 11, 2029; on August 11, 2027, the Term of this agreement shall be automatically extended until August 11, 2030; and so on unless prior to such date by a majority vote of the total membership of the City Council in attendance at a lawfully called meeting, the City Council takes formal action to declare its intention to not extend this agreement for one additional year. Any such decision by the City Council to not extend the Term by one additional year shall only modify this Term section and shall not constitute a termination for purposes of this Agreement. The parties make no representation with respect to whether such action by the City Council would amount to an adverse employment action.

b. Jarad L. Hildenbrand desires to perform the duties of City Manager for the City and hereby accepts such appointment under the terms and conditions set forth in this Agreement.

2. Compensation.

a. Effective upon appointment as City Manager, the salary of City Manager is established at Three Hundred Twenty Thousand Dollars (\$320,000.00) annually and shall be paid in the same manner and at the same times as other salaries in the City are paid.

3. Performance Review.

a. The City Manager's performance shall be reviewed by the City Council no later than at the first meeting in July of each year of this Agreement. At such time the City Council may determine any salary adjustments or propose to the City Manager other revisions to this Agreement. It is the responsibility of the City Attorney to agendize the annual performance evaluation, although any member of the City Council may agendize the City Manager's performance review at any time. Annual written evaluations by the City Council, if any, shall be shared and discussed with the City Manager in closed session or individually per the City Council's discretion.

b. Except as otherwise provided for in this Agreement, within the first six months of employment, City Manager shall receive an informal performance review.

4. Benefits.

a. In addition to any benefits provided in this Agreement, City Manager shall receive those benefits and be governed by all applicable rules and regulations related to those benefits provided for Executive Management listed in Exhibit "A" to Resolution No. 11599 or as such Resolution may be superseded; provided that it is understood that City Manager shall pay the Miscellaneous Member Contribution to CalPERS at the same level and in the same manner as Executive Management, as provided in Resolution No. 11599 or as such Resolution may be superseded.

b. City Manager shall receive use of a City vehicle of City's choice, for professional and personal purposes, without mileage restriction. City shall provide, at its own cost, insurance and maintenance expenses for the vehicle. City Manager shall be responsible for his own fuel costs. City Manager shall maintain a current and valid Driver License.

c. In recognition of City Manager's significant public sector experience, the parties agree that paid vacation accrual, in accordance with Resolution No. 11599, Exhibit "A", Section 19 A., shall be commensurate with an employee with 19 years of service, and accrue at a rate of 220 vacation hours per year, beginning upon appointment with the City.

d. Upon appointment with City, City Manager shall be provided with:

- (1) 40 hours of vacation leave;
- (2) 40 hours of sick leave; and

(3) Administrative Leave prorated to his beginning employment date.

e. City Manager shall receive an annual deferred compensation contribution of the maximum IRS allowable amount (currently \$23,500). The amounts contributed by the City shall be subject to the terms and conditions of the City of Orange Deferred Compensation Plan.

f. City acknowledges its interest in the continuing professional development of City Manager and agrees to pay all reasonable and appropriate expenses associated with professional dues and subscriptions and/or attendance at conferences, training opportunities, and meeting of organizations concerned with the City Manager and/or the public administration profession. Such expenses must be approved in advance by the City Council during its budget process.

5. Termination.

a. Termination. City reserves the right to terminate this Agreement for any reason prior to the termination date, by providing City Manager fourteen (14) days written notice of its election to terminate, including any statement of cause, and an opportunity for a hearing as set forth in Orange Municipal Code (“OMC”) Section 2.16.070, as it may be amended. Notwithstanding any provision in OMC Section 2.16.070 to the contrary, a majority of the then-serving City Council is required to approve such termination. Such termination shall be effective as set forth in the notice of election to terminate, but in no event sooner than the time required for notice and any requested hearing.

b. Severance. Except as otherwise provided herein, in the event City Manager is terminated prior the expiration of this Agreement, City is obligated to pay City Manager full salary as set forth in Section 3.a of this Agreement or as it may be later amended, and value of elected health benefits, for nine (9) months after the date of termination. The total salary severance amount shall be payable no later than thirty (30) days following the date of termination, or as otherwise agreed by both parties. This severance amount shall only be payable provided that City Manager has executed a release, waiving any rights, claims, or any other actions arising out of termination of this Agreement in a form acceptable to the City Council.

c. Cause. Notwithstanding anything contained herein to the contrary, in the event City Manager is terminated for cause, City Manager shall forfeit any and all severance payments

described in Section 6.b of this Agreement. Only the following shall be considered grounds for termination for cause:

(1) Performance of outside business interests that conflict directly with the activities and duties as City Manager, but not including educational or professional training programs conducted by City Manager whether for personal financial gain or not;

(2) Refusal to take or subscribe any oath or affirmation required by law;

(3) Conviction of a felony or conviction of a misdemeanor involving moral turpitude (a conviction following a plea of nolo contendere is deemed a conviction), which is likely to have a material adverse impact on the City or on the City Manager's reputation.

(4) Proven failure of the City Manager to observe or perform any of his duties and obligations, if that failure continues for a period of thirty (30) business days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure.

d. In the event the City terminates the City Manager for any reason or no reason, the City and the City Manager agree that no member of the City Council, the City Management staff, nor the City Manager, shall make any written, oral, or electronic statement to any member of the public, the press, or any city employee concerning the City Manager's termination except in the form of a joint press release or statement, the content of which is mutually agreeable to the City and the City Manager. The joint press release or statement shall not contain any text or information that is disparaging to either party. Either party may verbally repeat the substance of the joint press release or statement in response to any inquiry.

7. Absence from Area.

City Manager shall notify the Mayor and City Council in writing of any unexpected absence from Los Angeles or Orange County in excess of nine (9) regular business hours. City Manager shall provide a telephone number(s) where he can be reached during such absences. Said notice shall designate an Acting City Manager who shall be authorized to perform the duties and responsibilities of City Manager in his absence.

8. Voluntary Resignation.

In the event City Manager voluntarily resigns his position with City before expiration of the Term of this Agreement or any extension thereof, he shall give the City Council thirty (30) days' written notice, unless the parties otherwise agree. In the event of voluntary resignation or expiration of this Agreement, City Manager is not entitled to the severance payment described in Section 6.b of this Agreement.

9. Required Provision. The provisions of California Government Code Sections 53243 to 53243.4, as those sections now or hereafter exist are hereby incorporated by reference into this Agreement. Thus, if City Manager is convicted of a crime involving an abuse of his office or position, whether before or after release from employment, City Manager shall fully reimburse the City for any severance pay, paid leave, or salary disbursed pending an investigation related to the crime, or legal criminal defense funds relevant to the crime.

10. Amendments.

This Agreement may only be amended in writing, signed by both parties.

11. Entire Agreement.

a. This Agreement contains the entire agreement of the parties and no promises or representations not included in this Agreement shall have any force or effect. Each party agrees that they have engaged in arms-length bargaining and have been provided the opportunity to have the Agreement reviewed by an attorney of their choice.

b. Neither party may assign the performance of this Agreement.

12. Enforceability.

If any provision or portion hereof is held unconstitutional, invalid, or unenforceable, the remainder of this Agreement shall be deemed severable, shall not be affected and shall remain in full force and effect, and the City Council and City Manager shall be deemed to have intended to enter into this Agreement even absent such provision or portion hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date and year first above written.

DATE OF EXECUTION:

CITY OF ORANGE, a municipal corporation,

Daniel R. Slater, Mayor

ATTEST:

Pamela Coleman, City Clerk

DATE OF EXECUTION:

JARAD L. HILDENBRAND, an individual

APPROVED AS TO FORM:

Wayne W. Winthers, Interim City Attorney

√