

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

THIS AGREEMENT, made and entered into to be effective on October ____, 2021 (“Effective Date”), by and between the CITY OF ORANGE, a municipal corporation, hereinafter referred to as “City” and THOMAS R. HATCH, an individual.

1. In lieu of the retirement of City Manager Richard Otto, effective October 4, 2021, the City has initiated a nationwide recruitment for his replacement. Due to the uncertainty with regard to the length of time required to complete the recruitment and hiring process, the City desires to fill the City Manager position on an interim basis. The City desires an interim City Manager with a wide breadth of public sector experience.

2. The City has requested the services of Thomas R. Hatch to serve as City Manager on an interim basis until the recruitment and hiring process is complete. Mr. Hatch has 34 years of varied public sector experience, with nearly 8 years as City Manager in a similar size city, and serving most recent as the Chief Human Resources Officer with the County of Orange. Thomas R. Hatch (hereafter, “City Manager”) desires to perform the duties of City Manager for the City and hereby accepts the terms and conditions set forth in this Agreement.

3. Term

a. The initial term of this Agreement is one year from the Effective Date, subject to early termination as provided herein.

b. The parties may agree to extend the Agreement at any time prior to the termination of the Agreement. Any extension, if properly exercised, shall be memorialized in the form of an amendment to this Agreement, executed in writing by the parties.

4. Compensation

Effective upon execution of this agreement, the salary of the City Manager will be \$22,833.33 per month and shall be paid in the same manner and at the same times as other monthly salaries in the City are paid. During the term of this Agreement if any across the board salary increases are approved for the Non-Safety Executive Management Team listed in Exhibit “A” to Resolution No.

11332 or as such Resolution may be amended, then the City Manager shall be entitled to the same increase.

5. 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 Directors in Resolution No. 11332 or as such Resolution may be amended; provided that it is understood that the City Manager shall pay Miscellaneous Member Contributions to the California Public Employees' Retirement System at the same level and in the same manner as the Executive Management Team as provided in Resolution No. 11332 or as such Resolution may be amended.

b. City Manager shall receive an annual deferred compensation contribution of \$6,000. The amounts contributed by the City shall be subject to the terms and conditions of the City of Orange Deferred Compensation Plan.

c. In lieu of being provided a City-issued cell phone pursuant to Section 1.63 of the City's Administrative Policy Manual, the City Manager shall receive the non-compensation earnable amount of \$125 per month as reimbursement for any and all cost related to the purchase and use of a cell phone for City-related business.

d. In recognition of the City Manager's significant public sector experience, the parties agree that paid vacation accrual, in accordance with Resolution No. 11332, Exhibit A, Section 19, shall be commensurate with an employee with 20 years of service, and accrue at a rate of 224 vacation hours per year.

6. Termination

a. The City reserves the right to terminate this Agreement for any reason by providing the City Manager 30 days' written notice of its election to terminate as authorized by a majority of the City Council. The City and City Manager agree that, due to the nature of service under this Agreement on an interim basis, the termination provisions for City Manager as provided in the Orange Municipal Code do not apply. As such, termination shall be effective in 30 days, as set forth above.

b. The parties agree that in the event of termination of this Agreement the City Manager is entitled to no severance payments or service credits and shall waive any rights, claims, or any other actions arising out of termination of this Agreement.

7. In the event the City Manager voluntarily resigns his position with the City before expiration of the term of this Agreement or any extension thereof, he shall give the City Council 30 days' written notice, unless the parties agree otherwise.

8. The City Manager shall notify the Mayor and City Council in writing of any absence in excess of twenty four hours from outside Orange and the contiguous counties. The City Manager shall provide a telephone number(s) where he can be reached during such absences. Said notices shall designate an Acting City Manager who shall be authorized to perform the duties and responsibilities of the City Manager in his absence.

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

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

11. 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.

12. If any provision or portion hereof is held unconstitutional, invalid or unenforceable, the remainder of this Agreement shall be deemed severable and shall not be affected and shall remain in full force and effect, and the City Council and the 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 written above.

DATE OF EXECUTION:

CITY OF ORANGE, a municipal corporation,

Mark A. Murphy, Mayor

ATTEST:

Pamela Coleman, City Clerk

DATE OF EXECUTION:

9/27/21

THOMAS R. HATCH, an individual,

Thomas R. Hatch

APPROVED AS TO FORM:

Gary A. Sheatz, City Attorney