



Agenda Item

City Council

Item #: 7.3.

10/13/2021

File #: 21-0559

TO: Honorable Mayor and Members of the City Council

THRU: Bonnie Hagan, Acting City Manager

FROM: Gary Sheatz, City Attorney

1. SUBJECT

Employment Agreement with interim City Manager Thomas R. Hatch.

2. SUMMARY

The proposed employment agreement with interim City Manager Thomas R. Hatch provides for a term up to one year while the City completes the recruitment process for the position of City Manager. Pursuant to Orange Municipal Code Section 2.16.080, the City Manager's compensation and benefits are determined by the City Council.

3. RECOMMENDED ACTION

Approve Employment Agreement with interim City Manager Thomas R. Hatch.

4. FISCAL IMPACT

The agreement provides for a salary of \$22,833.33 per month, a non-compensation earnable technology stipend of \$125.00 per month, and a deferred compensation contribution of \$500.00 per month.

5. STRATEGIC PLAN GOALS

Goal 4: Provide outstanding public service

e: Attract, retain and develop quality employees dedicated to public service.

6. DISCUSSION AND BACKGROUND

With the retirement of the City Manager, 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. During this interim period, the City desires a replacement with a wide breadth of public sector experience.

The City has requested the services of Thomas R. Hatch to serve as interim City Manager 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 recently as the Chief Human Resources Officer with the County of Orange.

The initial term of the agreement with Mr. Hatch is proposed at one year. While City staff does not

anticipate the recruitment and hiring process taking a full year, flexibility is built into the agreement in case of unanticipated delays. To adequately address the fact that the term of the agreement may be longer than required, the City and Mr. Hatch agree that the agreement may be terminated by either party with only thirty days' notice. The parties further agree that no severance payments are required if the agreement is terminated prior to one year.

Other essential deal points include a salary of \$22,833.33 per month, a non-compensation earnable technology stipend of \$125.00 per month, and a deferred compensation contribution of \$500.00 per month. In recognition of Mr. Hatch's significant public sector experience, paid vacation accrual would be commensurate with an employee with 20 years of service, at a rate of approximately 18 hours per month. All other benefits or terms of employment would be governed by all applicable rules and regulations provided for Executive Directors in Resolution No. 11332, or as such Resolution may be amended.

7. ATTACHMENTS

- Employment Agreement