

## EMPLOYMENT AGREEMENT BETWEEN

### THE CITY OF SALINAS AND CHRISTOPHER CALLIHAN

**Be it resolved that the City Council of the City of Salinas and Christopher Callihan agree as follows:**

- 1. Parties:** The parties to this Agreement are the CITY OF SALINAS (“CITY”) and CHRISTOPHER CALLIHAN (“CALLIHAN”).
- 2. Purpose:** The purpose of this Agreement is to provide for the employment of CALLIHAN as City Attorney of the CITY, as currently provided by Salinas City Charter Sections 39, 44, and 45.
- 3. Duties:** The CITY hereby agrees to employ CALLIHAN to perform the functions and duties of City Attorney for the CITY and of Agency Attorney for and the Successor Agency to the Former Salinas Redevelopment Agency as specified in the Salinas City Charter and City Code, the Job Description, and any other applicable Ordinances, Resolutions or Policies, and to perform such other legally permissible and proper duties and functions as the CITY shall from time-to-time assign. As City Attorney, CALLIHAN shall be the legal advisor to the City, including the City Council, the City’s Boards and Commissions, and the officers and employees of the City on all matters concerning the municipal affairs of the City. CALLIHAN shall at all times be licensed to practice law in the State of California, in good standing. CALLIHAN agrees that to the best of his ability and experience he will at all times loyally and conscientiously perform all of the duties and obligations required of him either expressly or implicitly by the terms of this Agreement. CALLIHAN agrees that he will not, so long as he is employed by the CITY, take any employment or perform any consulting duties that will interfere with or be inconsistent with the performance of his duties as City Attorney for the CITY.
- 4. Term of Agreement:** This Agreement is effective upon the date of adoption by the City Council until February 9, 2027, at which time it shall expire. As part of CALLIHAN’s annual performance review, the City Council may decide to extend the Agreement.
- 5. Separation from Employment/ Severance Payment:**
  - 5.1** The City Council may, subject to the provisions set forth below, terminate the services of CALLIHAN at any time, it being expressly understood and agreed between the parties that CALLIHAN serves as an **at-will** employee of the City Council. In the event of separation from employment by the City Council, while still willing and able to perform the duties of City Attorney, CALLIHAN shall be

entitled to receive compensation, consisting of a lump-sum payment of 12 months of base salary, except in the event the separation occurs within the last 12 months of the expiration of the term of this Agreement, CALLIHAN is entitled to severance in an amount equal to his monthly salary times the number of months left in this unexpired Agreement.

Upon termination of CALLIHAN's employment by the City Council for any reason other than those listed in Sections 5.4 and 5.5 of this agreement, the CITY shall pay CALLIHAN the sum of \$2,500 to compensate CALLIHAN for costs incurred by CALLIHAN in obtaining legal review, benefits review, or other professional advisory or personal counseling services which CALLIHAN elects to utilize in connection with the termination, including the review and negotiation of any separation-related agreements with the City.

- 5.2 In accordance with California Government Code Section 53261, a cash severance payment shall not include any other noncash item except health benefits payable to or on behalf of CALLIHAN.
- 5.3 The Severance Payment, described above in Section 5.1 and 5.2, will release the CITY from any further obligations under this Agreement, and any claims of any nature that CALLIHAN might have against the CITY by virtue of his employment or termination thereof. Contemporaneously, with the delivery of the Severance Payment and in consideration therefore, CALLIHAN agrees to execute and deliver to the CITY a release releasing the CITY of all claims that CALLIHAN may have against the CITY.
- 5.4 CALLIHAN shall not be entitled to a Severance Payment in the following events:
  - 5.4.1 CITY elects not to renew this Agreement.
  - 5.4.2 CALLIHAN is terminated because of his conviction of a felony or misdemeanor involving moral turpitude, or is convicted of any illegal act involving personal gain to himself.
  - 5.4.3 CALLIHAN dies, or CALLIHAN becomes disabled as provided in Paragraph 6 and CITY terminates his employment.
- 5.5 In the event CALLIHAN resigns his position as City Attorney, he shall not be entitled to a Severance Payment.
- 5.6 Section 5 of this agreement shall be construed in accordance with all legal authority, including but not limited to, Government Code Section 53260, which explicitly limits contractual severance cash settlements payable by a local agency employer.

**6. Disability:** If CALLIHAN is permanently disabled to the extent that he cannot perform the full range of the essential functions of his position as determined by his treating physician or is otherwise unable to perform the full range of the essential functions of his position because of sickness, accident, injury, mental incapacity or other health reasons for a period of six (6) successive weeks beyond the exhaustion of all general leave, the CITY shall have the option to terminate this Agreement, subject to compliance with all provisions of law.

**7. Compensation and Benefits:**

**7.1** The CITY agrees to pay CALLIHAN for his services rendered pursuant hereto an annual salary of Two Hundred Thirty Thousand Dollars (\$230,000.00) payable on a bi-weekly basis in the same manner as other employees of the CITY are paid.

**7.2** CITY shall make contributions on CALLIHAN's behalf to an Internal Revenue Code (IRC) 457 or 401(a) compensation plan based on months of service with the City. The payment to either plan will be provided on a bi-weekly basis. The schedule at date of hire is as follows:

<u>Months of Employment</u>	<u>Biweekly Contribution</u>
0 – 12 months	\$163.46
13 – 24 months	\$245.19
25 – 36 months	\$326.91
37 – 48 months	\$408.65
49 – 60 months	\$490.38
61 – 72 months	\$572.10
73+ months	\$653.84

The CITY'S maximum contribution shall be adjusted annually (January 1 of each year) and set equal to the IRC 457 Deferred Compensation contribution maximum. CALLIHAN's determinations as to participation in either the IRC 457 or 401(a) plan shall be governed by the specific regulations for that plan.

**7.3** CITY agrees to pay CALLIHAN an automobile allowance in the amount of Seven Hundred Fifty Dollars (\$750) per month.

**7.4** The CITY agrees to contribute a flat dollar amount toward monthly health benefits premiums equal to 95% of the PERS Platinum Plan premium for the level of coverage the employee has selected. CALLIHAN shall pay for premium costs above the CITY contributions through payroll deductions. The CITY will continue to pay the full amount of premiums for dental and vision plans. CITY agrees to provide CALLIHAN with CITY paid Life Insurance in the amount of \$150,000.

**7.5** CALLIHAN shall participate in the California Public Employees Retirement System (CalPERS) in the CITY's 2% @ 55 Plan. CALLIHAN shall be

responsible for payment of the employee’s contribution to said plan.

**7.6** CALLIHAN shall receive 120 hours of Management/ Administrative Leave for the 2022 calendar year. Effective January 1, 2023, this benefit is eliminated and CALLIHAN shall accrue no additional Management/Administrative Leave.

**7.7** CALLIHAN shall accrue Annual Leave as provided in the Personnel Manual.

<u>Years of Employment</u>	<u>Days of Annual Leave Granted per Year</u>
1 through 5	22 days each year
6 through 10	27 days each year
11 through 15	29 days each year
16 through 17	30 days each year
18 through 19	31 days each year
20 through 24	32 days each year
25 through retirement	33 days each year

Effective January 1, 2023, CALLIHAN will accrue an additional 120 hours of Annual Leave. CALLIHAN shall receive Annual Leave as follows:

<u>Years of Employment</u>	<u>Days of Annual Leave Granted per Year</u>
1 through 5	37 days each year
6 through 10	42 days each year
11 through 15	44 days each year
16 through 17	45 days each year
18 through 19	46 days each year
20 through 24	47 days each year
25 through retirement	48 days each year

Cap: 600 hours

The maximum annual leave accrual cap shall be 600 hours. Once CALLIHAN reaches the maximum annual leave accrual cap he will not accrue additional annual leave until the annual leave balance is below the maximum accrual cap; accrued unused annual leave will be paid at separation.

**7.8** The City shall continue to pay state and local bar dues for CALLIHAN.

**7.9** Any other benefits not specifically mentioned in this Agreement shall be provided in accordance with standards applicable to all City Department Directors.

- 8. Performance Evaluation:** The City Council shall review and evaluate the performance and compensation of CALLIHAN on at least an annual basis. The City Council, in consultation with CALLIHAN, shall define such goals and performance objectives that they determine to be necessary for the proper operation of the City Attorney's Office. In attainment of the City Council's adopted performance objectives, the City Council, in consultation with CALLIHAN, shall further establish a relative priority among the various goals and objectives, and reduce said goals and objectives to writing.
- 9. General Expenses:** CITY recognizes that certain expenses of a non-personal, but job-related nature are incurred by CALLIHAN, and CITY agrees to reimburse or to pay these expenses consistent with CITY policy. CITY shall also provide employee a cell phone. CALLIHAN shall reimburse the CITY for all additional charges to the CITY incurred for personal phone calls from the use of the cell phone.
- 10. Indemnification:** CITY shall defend, save harmless and indemnify CALLIHAN against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of CALLIHAN's duties as City Attorney. CALLIHAN agrees to cooperate in any and all litigation matters, which may be filed in the future. CITY shall pay all costs incurred by CALLIHAN in connection therewith, including travel fees and costs.
- 11. Bonding.** The CITY shall bear the full cost of any fidelity or other bond required for the City Attorney under any law or ordinance.
- 12. Notice:** Notices pursuant to this Agreement shall be given by mail or personal delivery. Notice shall be deemed given as of the date of personal service or 48 hours after deposit in the mail. Notices shall be addressed as follows:

**12.1** Notice to CALLIHAN shall be sent to: CHRISTOPHER CALLIHAN  
City of Salinas  
200 Lincoln Avenue  
Salinas, CA 93906

**12.2** Notice to CITY shall be sent to: Mayor  
City of Salinas  
200 Lincoln Avenue  
Salinas, CA 93901

Copy to: City Clerk  
City of Salinas  
200 Lincoln Avenue  
Salinas, CA 93901

**13. General Provisions:**

**13.1** The Agreement shall be binding and inure to the benefit of the heirs at law and executors of CALLIHAN.

**13.2** If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement shall be deemed severable and shall remain in full force and effect.


**13.3** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement.

**13.4** This Agreement constitutes the entire agreement between the parties and supersedes any previous Agreements, oral or written. This Agreement may be modified or provisions waived only by subsequent mutual written agreement executed by the CITY and CALLIHAN.

**13.5** This Agreement shall be interpreted as though prepared by both parties.


**CITY OF SALINAS**

Date: 2/16/2022 | 3:14 PM PST

By: DocuSigned by:  
  
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Kimbley Craig

**CHRISTOPHER CALLIHAN**

Date: 2/16/2022 | 2:54 PM PST

By: DocuSigned by:  
  
DF600E62871844E...  
Christopher Callihan

APPROVED AS TO FORM:

Che I. Johnson  
Che I. Johnson, Associate Attorney  
LIEBERT CASSIDY WHITMORE