

CITY MANAGER EMPLOYMENT AGREEMENT

This CITY MANAGER EMPLOYMENT AGREEMENT (the “Agreement”) is entered on January 23, 2023 by and between the CITY OF DALY CITY, a municipal corporation (“City”) and THOMAS J. PICCOLOTTI, (“Piccolotti” or “Employee”) collectively “the Parties.”

RECITALS

This Agreement is made with reference to the following facts and objectives:

1. WHEREAS, the City Council of the City of Daly City desires to appoint Piccolotti to the position of City Manager effective January 23, 2023; and
2. WHEREAS, Piccolotti desires to accept employment as City Manager of the City of Daly City under the terms and conditions set forth herein.

NOW, THEREFORE, City hereby agrees to employ Thomas J. Piccolotti as City Manager of the City of Daly City upon the mutually agreed terms and conditions as follows:

1. **RESPONSIBILITIES AND DUTIES.** Piccolotti shall carry out the functions and duties ordinarily performed by the City Manager for the City under the direction and control of the City Council and as set forth in the Daly City Municipal Code and other applicable written policies and rules. Among other things, Employee has the authority to interview, hire, and terminate employees, and direct the workforce. Employee shall serve as Executive Director of the Successor Agency to the former Daly City Redevelopment Agency, the General Manager of the North San Mateo County Sanitation District, Director of Emergency Services and Executive Director to the Daly City Public Facilities Corporation and the Daly City Housing Finance Agency.
2. **TERM.**
 - a. **Initial Term.** The Initial Term (“Initial Term”) of this Agreement shall be for a period of twenty-four (24) months commencing on January 23, 2023 and continuing until January 23, 2025 (the “Initial Termination Date”).
 - b. This Agreement shall automatically renew as provided herein unless the City gives the Employee timely notice of non-renewal. The City must give Employee written notice of non-renewal at least one-hundred twenty (120) calendar days prior to the Initial Termination Date (i.e., January 23, 2025) or

any succeeding Termination Date. Unless such notice of non-renewal is timely given, this Agreement shall automatically renew on the terms and conditions set forth herein for an additional one (1) year. Any such issuance of a notice of non-renewal shall require a majority vote of the entire City Council in open session. Notice of non-renewal beyond the Initial Termination Date shall be deemed an Involuntary Termination without cause as defined in Section 9 and severance shall be paid pursuant to Section 9.

3. **COMPENSATION.** For the services to be provided pursuant to this Agreement, Employee shall receive the following compensation and benefits:

- a. **Base Salary.** As compensation for services rendered under this Agreement, Piccolotti shall receive an initial bi-weekly salary of \$14,495.00, effective January 23, 2023 and 6% increase of base bi-weekly salary effective January 23, 2024. Said salary shall be paid on the dates and in the manner consistent with the payroll procedures in use for City of Daly City employees. Employee's base salary shall be increased by the same percentage and at the same time any discretionary across-the-board increase is granted to the City's Executive Management Group. Thereafter, and subject to a performance evaluation, City may increase Employee's salary by resolution.
- b. **Other Benefits.** Employee shall be provided the compensation and benefits offered to all other department heads as provided in the Executive Management Salary Schedule, effective October 15, 2022 and thereafter. Such benefits include but are not limited to, vacation, sick leave, holidays, administrative leave, retirement, health insurance, dental insurance, long-term disability insurance, and life insurance. Employee shall not be compensated for any hours worked overtime because Employee is exempt from overtime under the Federal Fair Labor Standards Act.
- c. **Vehicle Expenses.** Employee's duties require he shall have the use of an automobile at all times during his employment with City. City shall provide and maintain an appropriate automobile for his full and exclusive use.
- d. **Professional Development, Dues and Subscriptions.** City agrees to pay for the professional dues, subscriptions, and other costs of Employee deemed necessary for his participation in national, state, regional, and local associations and organizations and in meetings, conferences, and training related thereto, including but not limited to the International City/County Management Association, League of California Cities, and County City Managers' Association, which are considered mutually desirable for his continued professional participation and growth and for the good of the City, subject to budgetary approval and City Council approval.

- e. Other Supplement Benefits. City shall contribute \$500.00 per month to Employee's Deferred Compensation plan.
4. OTHER TERMS AND CONDITIONS OF EMPLOYMENT.
- i. Employment Salary Adjustments: City Manager shall have full authority for employment hiring of city employees. City Manager shall notify City Council for confirmation of any increases outside of the regular range of salary increases.
 - ii. The City Council, by resolution, minute order, or other formal action, shall fix any other terms, restrictions, and conditions of Employee's employment as City Manager, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with provisions of this Agreement or law.
5. PERFORMANCE REVIEW. The City Council shall review and evaluate the performance of the Employee on at least an annual basis and may review and evaluate the Employee's performance on a more frequent basis if it determines that it is appropriate to do so.
6. HOURS OF WORK. The Employee is an exempt employee but is expected to be engaged in those hours of work that are necessary to fulfill the obligations of the City Manager's position. The City Manager does not have set hours of work as the City Manager is expected to be available at all times. It is recognized that the Employee must devote a great deal of time to the business of the City outside of the City's customary office hours, and to that end the Employee's schedule of work each day and week shall vary in accordance with the work required to be performed. Employee shall spend sufficient hours on site to perform the City Manager's duties; however, Employee has discretion over the City Manager's work schedule.
- It is expected that Employee will, to the extent possible, attend community events and other public and social events on behalf of the City of Daly City, as may occur from time to time and that Employee will endeavor to prioritize attendance at such events, as his schedule will allow. Employee shall inform and advise the City Council of any extended absences from the City and designate an Acting City Manager in his absence.
7. DURATION OF EMPLOYMENT. Employee understands and agrees that he has no constitutionally protected property or other interest in his employment as City Manager. Employee understands and agrees that he serves at the pleasure of the

City Council and that Employee may be terminated from the position of City Manager at any time, with or without cause.

8. **RESIGNATION.** Employee may voluntarily resign the position of City Manager or retire from public service at any time with a minimum of one-hundred-twenty (120) calendar days written notice to the City Council, unless the parties mutually agree to a different notice period. No severance will be paid to Employee if Employee voluntary resigns or retires without official, affirmative request or action of the City Council.
9. **INVOLUNTARY TERMINATION AND SEVERANCE.**
 - a. If Employee is terminated by the City Council while he is still able to perform the duties of the City Manager, Employee shall receive a single lump-sum cash payment on the effective date of termination equivalent to the sum of his then-current monthly base salary multiplied by twelve (12) and the cash value, as reasonably determined by City, of his monthly medical benefits multiplied by twelve (12). Contemporaneously with the delivery of the severance pay described in this section, Employee agrees to execute and deliver to City a general release of all claims against the City, except claims prohibited from such a release under federal or state law, as prepared by the City Attorney.
 - b. Termination during the Initial Contract Term (January 23, 2023 through January 23, 2025), shall be deemed an Involuntary Termination and Employee is entitled to all severance pay as set forth in this section.
 - c. Notwithstanding above, Employee shall not be entitled to any severance pay should the City Council provide timely written notice of non-renewal of Agreement, in accordance with Section 2, prior to The Initial Termination Date. Provided, however, Employee shall be entitled to all severance pay set forth in this section for any Involuntary Termination or Notice of Non-Renewal by the City Council that is beyond the Initial Termination Date.
 - d. City may at any time terminate Employee without Cause upon 120 days advance notice. The decision to terminate shall be made in Closed Session and confirmed in a public meeting. Alternatively, if Employee is informed of the City's intention to terminate his employment without cause, Employee may be given the option to resign and shall be entitled to severance pursuant to Section 9.

10. TERMINATION FOR CAUSE. Notice need not be made, and severance pay will not be paid if Employee is terminated by the City Council for cause. For purposes of this Agreement, "cause" shall mean termination because of a criminal conviction for acts other than vehicle violations or the exercise of personal civil rights unrelated to City employment, acts of moral turpitude or fiscal malfeasance, and gross negligence or willful or corrupt misconduct in office.

11. GENERAL PROVISIONS.

- a. Amendment. This Agreement may be amended at any time by agreement of the parties, but any such amendment must be in writing, dated and signed by the parties.
- b. Notice. Any notice to be given to either party shall be in writing and shall be considered delivered when transmitted either by personal delivery or by mail, registered or certified, postage pre-paid with return receipt requested and properly address as follows:

To City: Mayor and City Council
 333 90th Street
 Daly City, CA 94015

(Copy to)
City Attorney's Office
333 90th Street, Third Floor
Daly City, CA 94015

To Employee: Thomas J. Piccolotti
Address on file in Human Resources Department

- c. Entire Agreement. This Agreement supersedes any other agreements, written or oral, expressed or implied, between the City of Daly City and Piccolotti.
- d. Government Law. This Agreement shall be governed by the laws of the State of California.
- e. Severability. If any portion of this Agreement is declared void, such portion shall be severed from this Agreement and the remaining provisions shall remain in effect.

IN WITNESS WHEREOF, the parties have executed this Agreement which shall be effective upon approval by the City Council.

DATED: January 31, 2023

EMPLOYEE



Thomas J. Piccolotti

CITY OF DALY CITY



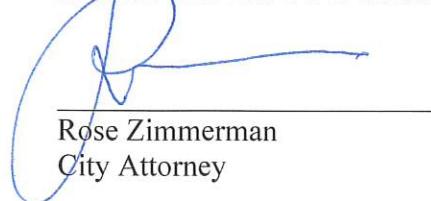
Ray Buenaventura
Mayor

ATTEST:



Annette Hipona
City Clerk

APPROVED AS TO FORM:



Rose Zimmerman
City Attorney