

**EMPLOYMENT AGREEMENT
CITY MANAGER**

THIS AGREEMENT, made and entered into this 19th day of July, 2010, by and between the CITY OF LA VERNE ("CITY") and ROBERT T. RUSSI ("EMPLOYEE")

WHEREAS, the CITY desires to employ EMPLOYEE to serve as City Manager; and

WHEREAS, EMPLOYEE has served as Assistant City Manager of CITY for 6 years and previously served 3 years as Assistant to the City Manager.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. DUTIES. CITY hereby employs EMPLOYEE as City Manager. The effective date of the appointment is August 6, 2010. EMPLOYEE shall have all of the duties of the City Manager specified in state law, the La Verne Municipal Code and all other policies and procedures of the CITY.

2. TERM. The term of this Agreement shall be for two (2) years. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of EMPLOYEE at any time, subject only to the provisions set forth in paragraph 7 hereof. During the term of this Agreement, EMPLOYEE shall remain in the exclusive employ of the CITY. EMPLOYEE shall give the City at least one month's written notice in advance in the event EMPLOYEE voluntarily resigns his position with the CITY prior to the expiration of the aforesaid term of employment.

3. SALARY. The starting salary for employee shall be \$169,000 per year. Pursuant to a resolution adopted concurrently by the Council, the steps and range for the City Manager are established as follows:

Step 1:	\$160,600
Step 2:	169,000
Step 3:	177,600
Step 4:	185,990
Step 5:	195,000

EMPLOYEE will commence employment on Step 2 and upon satisfactory annual evaluation (average rating of 3.5 or greater on scale of 5 and a majority of the established goals being achieved) by the City Council, will advance one step on the anniversary of the effective date of this Agreement.

In any fiscal year commencing on or after July 1, 2011, salary adjustments are provided to department heads as the result of a compensation survey of comparable cities, per CITY policy, the City Manager steps will be adjusted to reflect those survey results.

To ensure that EMPLOYEE'S salary is maintained at a level commensurate with supervisory responsibilities and status as the organization's chief executive officer, the steps will also be adjusted to ensure that EMPLOYEE'S salary is not less than 20% above the average of the three highest paid executive managers at the comparable step of EMPLOYEE.

4. BENEFITS. EMPLOYEE shall continue to receive all employee benefits provided to Department Heads (executive management) of CITY. EMPLOYEE'S existing leave balances and other accrued benefits shall not be affected by this change in status.

5. CAR ALLOWANCE. EMPLOYEE shall receive a car allowance of \$550.00 per month. The car allowance shall be adjusted annually based upon the 12 month CPI-U for the Los Angeles-Long Beach area in June of each year. EMPLOYEE shall provide his own vehicle, insurance, fuel, registration and maintenance.

6. ANNUAL EVALUATION. EMPLOYEE and CITY agree that EMPLOYEE'S performance will be evaluated in the months of February, 2011 and August, 2011 and annually thereafter. The parties intend for this evaluation process to be comprehensive and based upon criteria that is mutually agreed upon.

7. TERMINATION AND SEVERANCE.

In the event EMPLOYEE is terminated by the City Council during the effective period of this Agreement and during such time as EMPLOYEE is willing and able to perform the duties of City Manager, then in that event CITY agrees to relieve EMPLOYEE of all duties but refrain from separating EMPLOYEE from service for a period of twelve (12) months, or the balance of the Agreement term, whichever is less, during which time CITY shall continue to pay EMPLOYEE'S salary and benefits including, but not limited to PERS retirement contributions as an active member. During this period, EMPLOYEE shall make himself available by telephone for consultation during normal business hours, as deemed necessary by the CITY. All CITY owned equipment shall be returned to CITY by EMPLOYEE within five (5) days of termination. EMPLOYEE may elect a lump sum distribution of salary, accrued leave and benefits at any time during the twelve months. If EMPLOYEE so elects, CITY will have no further financial obligations to the EMPLOYEE. Provided, however, that in the event EMPLOYEE is terminated because of his conviction of any illegal act involving personal gain to him, then, in that event, City shall have no obligation to pay such salary and benefits provided for in this paragraph.

8. PROFESSIONAL DEVELOPMENT

CITY will allocate sufficient funds to pay the actual expenses of EMPLOYEE'S necessary costs for travel, registration, lodging and meals when representing the CITY at conferences and meetings authorized by the City Council..

9. HOURS OF WORK.

It is recognized that EMPLOYEE must devote a great deal of his time outside normal office hours to business of the CITY, and to that end EMPLOYEE will be allowed reasonable flexibility with respect to hours in the office.

10. NO REDUCTION IN BENEFITS.

CITY shall not, at any time during the term of this Agreement, reduce the salary, compensation, or other financial benefits of EMPLOYEE except in the same proportion applied across the board for all employees of CITY.

11. ATTORNEY'S FEES.

In the event that any legal action, including an arbitration proceeding, is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any other relief and costs, be entitled to reasonable attorney's fees.

12. AT WILL EMPLOYMENT.

EMPLOYEE is an "at will" employee, subject to the provisions of this Agreement.

13. DEFENSE AND INDEMNIFICATION.

CITY will indemnify and defend EMPLOYEE against any third party claims prosecuted against EMPLOYEE for actions taken in the course and scope of his official duties.

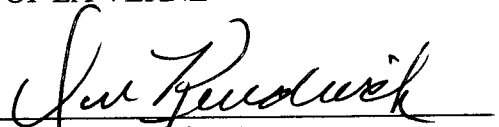
14. GENERAL PROVISIONS.

a. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of EMPLOYEE.


b. If any provision of this Agreement shall be held invalid, it is the intention of the parties that the remainder shall nevertheless be deemed valid and effective.

IN WITNESS WHEREOF, the CITY has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and EMPLOYEE has signed and executed this Agreement on the date first above written.

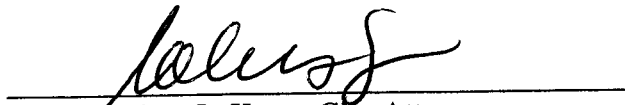
CITY OF LA VERNE

By: 
Don Kendrick, Mayor

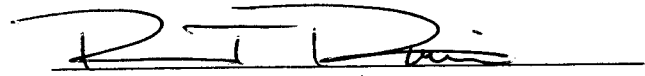
ATTEST:


Evelyn Clark, MMC
City Clerk

APPROVED AS TO FORM:


Robert L. Kress, City Attorney

EMPLOYEE


Robert T. Russi

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT
CITY MANAGER**

THIS AGREEMENT, made and entered into this 6th day of September, 2011, by and between the CITY OF LA VERNE (“CITY”) and ROBERT T. RUSSI (“EMPLOYEE”)

WHEREAS, the CITY desires to continue to employ EMPLOYEE to serve as City Manager; and

WHEREAS, EMPLOYEE has served as City Manager for 1 year, Assistant City Manager of CITY for 6 years and previously served 3 years as Assistant to the City Manager.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. DUTIES. CITY hereby continues the employment of EMPLOYEE as City Manager. EMPLOYEE shall have all of the duties of the City Manager specified in state law, the La Verne Municipal Code and all other policies and procedures of the CITY.

2. TERM. The term of this Agreement shall be for five (5) years. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of EMPLOYEE at any time, subject only to the provisions set forth in paragraph 7 hereof. During the term of this Agreement, EMPLOYEE shall remain in the exclusive employ of the CITY. EMPLOYEE shall give the City at least one month’s written notice in advance in the event EMPLOYEE voluntarily resigns his position with the CITY prior to the expiration of the aforesaid term of employment.

3. SALARY. The salary for employee (step 3 as of August 6, 2011) shall be \$181,709 per year. Pursuant to a resolution adopted by the Council, the steps and range for the City Manager are established as follows:

Step 1: \$164,815
Step 2: 173,056
Step 3: 181,709
Step 4: 190,794
Step 5: 200,334

EMPLOYEE commenced employment on Step 2 and upon satisfactory annual evaluation (average rating of 3.5 or greater on scale of 5 and a majority of the established goals being achieved) by the City Council, advanced one step on the EMPLOYEE’S anniversary date (August 6) of the effective date of this Agreement. EMPLOYEE will continue to advance one step on each anniversary date so long as the criteria set forth in this paragraph are met.

In any fiscal year commencing on or after July 1, 2011, salary adjustments are provided to department heads as the result of a compensation survey of comparable cities, per CITY

policy, the City Manager steps will be adjusted to reflect those survey results.

To ensure that EMPLOYEE'S salary is maintained at a level commensurate with supervisory responsibilities and status as the organization's chief executive officer, the steps will also be adjusted to ensure that EMPLOYEE'S salary is not less than 20% above the average of the three highest paid executive managers at the comparable step of EMPLOYEE.

4. BENEFITS. EMPLOYEE shall continue to receive all employee benefits provided to Department Heads (executive management) of CITY. EMPLOYEE'S existing leave balances and other accrued benefits shall not be affected by this change in status.

5. CAR ALLOWANCE. EMPLOYEE shall receive a car allowance of \$567.00 per month. The car allowance shall be adjusted annually based upon the 12 month CPI-U for the Los Angeles-Long Beach area in June of each year. EMPLOYEE shall provide his own vehicle, insurance, fuel, registration and maintenance.

6. ANNUAL EVALUATION. EMPLOYEE and CITY agree that EMPLOYEE'S performance will be evaluated in the month of August, 2012 and annually thereafter. The parties intend for this evaluation process to be comprehensive and based upon criteria that is mutually agreed upon.

7. TERMINATION AND SEVERANCE.

In the event EMPLOYEE is terminated by the City Council during the effective period of this Agreement and during such time as EMPLOYEE is willing and able to perform the duties of City Manager, then in that event CITY agrees to relieve EMPLOYEE of all duties but refrain from separating EMPLOYEE from service for a period of thirteen (13) months, or the balance of the Agreement term, whichever is less, during which time CITY shall continue to pay EMPLOYEE'S salary and benefits including, but not limited to PERS retirement contributions as an active member. During this period, EMPLOYEE shall make himself available by telephone for consultation during normal business hours, as deemed necessary by the CITY. All CITY owned equipment shall be returned to CITY by EMPLOYEE within five (5) days of termination. EMPLOYEE may elect a lump sum distribution of salary, accrued leave and benefits at any time during the severance period. If EMPLOYEE so elects, CITY will have no further financial obligations to the EMPLOYEE. Provided, however, that in the event EMPLOYEE is terminated because of his conviction of any illegal act involving personal gain to him, then, in that event, City shall have no obligation to pay such salary and benefits provided for in this paragraph. EMPLOYEE will be entitled to an additional one (1) month of severance benefits on each anniversary date of his employment, provided that the statutory maximum of eighteen (18) months is not exceeded.

8. PROFESSIONAL DEVELOPMENT.

CITY will allocate sufficient funds to pay the actual expenses of EMPLOYEE'S necessary costs for travel, registration, lodging and meals when representing the CITY at

conferences and meetings authorized by the City Council.

9. HOURS OF WORK.

It is recognized that EMPLOYEE must devote a great deal of his time outside normal office hours to business of the CITY, and to that end EMPLOYEE will be allowed reasonable flexibility with respect to hours in the office.

10. NO REDUCTION IN BENEFITS.

CITY shall not, at any time during the term of this Agreement, reduce the salary, compensation, or other financial benefits of EMPLOYEE except in the same proportion applied across the board for all employees of CITY.

11. ATTORNEY'S FEES.

In the event that any legal action, including an arbitration proceeding, is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any other relief and costs, be entitled to reasonable attorney's fees.

12. AT WILL EMPLOYMENT.

EMPLOYEE is an "at will" employee, subject to the provisions of this Agreement.

13. DEFENSE AND INDEMNIFICATION.

CITY will indemnify and defend EMPLOYEE against any third party claims prosecuted against EMPLOYEE for actions taken in the course and scope of his official duties.

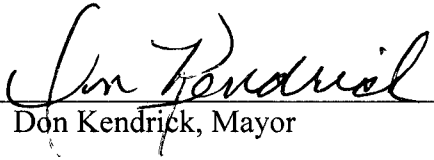
14. GENERAL PROVISIONS.

a. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of EMPLOYEE.


b. If any provision of this Agreement shall be held invalid, it is the intention of the parties that the remainder shall nevertheless be deemed valid and effective.

IN WITNESS WHEREOF, the CITY has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and EMPLOYEE has signed and executed this Agreement on the date first above written.

CITY OF LA VERNE

By: 
Don Kendrick, Mayor


ATTEST:


Evelyn Leach, MMC
City Clerk

APPROVED AS TO FORM:


Robert L. Kress, City Attorney

EMPLOYEE


Robert T. Russi

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT
CITY MANAGER**

THIS AGREEMENT, made and entered into this 7th day of October, 2013, by and between the CITY OF LA VERNE ("CITY") and ROBERT T. RUSSI ("EMPLOYEE")

WHEREAS, the CITY desires to continue to employ EMPLOYEE to serve as City Manager; and

WHEREAS, EMPLOYEE has served as City Manager for 3 years, Assistant City Manager of CITY for 6 years and previously served 3 years as Assistant to the City Manager.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. DUTIES. CITY hereby continues the employment of EMPLOYEE as City Manager. EMPLOYEE shall have all of the duties of the City Manager specified in state law, the La Verne Municipal Code and all other policies and procedures of the CITY.

2. TERM. The term of this Agreement shall be for five (5) years and shall terminate on EMPLOYEE'S anniversary date (August 6) in 2018. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of EMPLOYEE at any time, subject only to the provisions set forth in paragraph 7 hereof. During the term of this Agreement, EMPLOYEE shall remain in the exclusive employ of the CITY. EMPLOYEE shall give the City at least one month's written notice in advance in the event EMPLOYEE voluntarily resigns his position with the CITY prior to the expiration of the aforesaid term of employment.

3. SALARY. The salary for employee shall be step 5 of the City Manager schedule, currently \$ 203,637 per year.

In fiscal years commencing on or after July 1, 2014, salary adjustments to the City Manager pay steps will be provided as the result of a compensation survey of comparable cities, per CITY policy.

To ensure that EMPLOYEE'S salary is maintained at a level commensurate with supervisory responsibilities and status as the organization's chief executive officer, the steps will also be adjusted to ensure that EMPLOYEE'S salary is not less than 20% above the average of the three highest paid executive managers at the comparable step of EMPLOYEE.

4. BENEFITS. EMPLOYEE shall continue to receive all employee benefits provided to Department Heads (executive management) of CITY.

5. CAR ALLOWANCE. EMPLOYEE shall receive a car allowance of \$580.73 per month. The car allowance shall be adjusted annually based upon the 12 month CPI-U for the Los

Angeles-Long Beach area in June of each year. EMPLOYEE shall provide his own vehicle, insurance, fuel, registration and maintenance.

6. CONTRIBUTION TO PERS RETIREMENT COSTS. EMPLOYEE currently contributes 6.4% of his salary and PERS-eligible benefits toward the costs of his retirement allowance. Effective the first pay period after the approval of this employment agreement, EMPLOYEE shall increase his contribution to his retirement costs to 7%. Effective July 1, 2014, EMPLOYEE shall increase his contribution to his retirement costs to 8%. At such time as safety employees of the CITY are required to contribute 9% of their retirement costs, EMPLOYEE shall increase his contribution to his retirement costs to 9%.

7. VACATION. EMPLOYEE shall be entitled to vacation accrual based upon his years of service. EMPLOYEE shall, at the end of each calendar year, be allowed to carry over and maintain a maximum of 750 hours of vacation time. EMPLOYEE can elect to take payment in cash or contribute to deferred compensation for any balance of vacation hours over the allowed accrual.

8. ANNUAL EVALUATION. EMPLOYEE and CITY agree that EMPLOYEE'S performance will be evaluated annually in the month of August. The parties intend for this evaluation process to be comprehensive and based upon criteria that is mutually agreed upon.

9. TERMINATION AND SEVERANCE.

In the event EMPLOYEE is terminated by the City Council during the effective period of this Agreement and during such time as EMPLOYEE is willing and able to perform the duties of City Manager, then in that event CITY agrees to relieve EMPLOYEE of all duties but refrain from separating EMPLOYEE from service for a period of fifteen (15) months, or the balance of the Agreement term, whichever is less, during which time CITY shall continue to pay EMPLOYEE'S salary and benefits including, but not limited to PERS retirement contributions as an active member. During this period, EMPLOYEE shall make himself available by telephone for consultation during normal business hours, as deemed necessary by the CITY. All CITY owned equipment shall be returned to CITY by EMPLOYEE within five (5) days of termination. EMPLOYEE may elect a lump sum distribution of salary, accrued leave and benefits at any time during the severance period. If EMPLOYEE so elects, CITY will have no further financial obligations to the EMPLOYEE. Provided, however, that in the event EMPLOYEE is terminated because of his conviction of any illegal act involving personal gain to him, then, in that event, CITY shall have no obligation to pay such salary and benefits provided for in this paragraph. EMPLOYEE will be entitled to an additional one (1) month of severance benefits on each anniversary date of his employment, provided that the statutory maximum of eighteen (18) months is not exceeded.

All payments required under Section 9 are subject to and shall be interpreted to comply with the limitations set forth in Government Code Section 53260. Further, in the event EMPLOYEE is convicted of a crime involving an abuse of office or position, EMPLOYEE shall

reimburse the CITY for any paid leave or cash settlement (including severance), as provided by Government Code Sections 53243-53243.4.

10. PROFESSIONAL DEVELOPMENT.

CITY will allocate sufficient funds to pay the actual expenses of EMPLOYEE'S necessary costs for travel, registration, lodging and meals when representing the CITY at conferences and meetings authorized by the City Council.

11. HOURS OF WORK.

It is recognized that EMPLOYEE must devote a great deal of his time outside normal office hours to business of the CITY, and to that end EMPLOYEE will be allowed reasonable flexibility with respect to hours in the office.

12. NO REDUCTION IN BENEFITS.

CITY shall not, at any time during the term of this Agreement, reduce the salary, compensation, or other financial benefits of EMPLOYEE except in the same proportion applied across the board for all employees of CITY.

13. ATTORNEY'S FEES.

In the event that any legal action, including an arbitration proceeding, is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any other relief and costs, be entitled to reasonable attorney's fees.

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15. DEFENSE AND INDEMNIFICATION.

CITY will indemnify and defend EMPLOYEE against any third party claims prosecuted against EMPLOYEE for actions taken in the course and scope of his official duties.

16. GENERAL PROVISIONS.

a. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of EMPLOYEE.

b. If any provision of this Agreement shall be held invalid, it is the intention of the parties that the remainder shall nevertheless be deemed valid and effective.

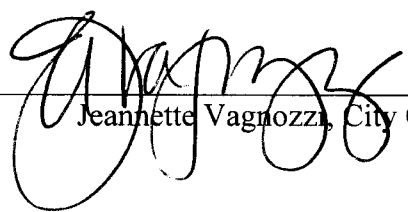
IN WITNESS WHEREOF, the CITY has caused this Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and EMPLOYEE has signed and executed this Agreement on the date first above written.

CITY OF LA VERNE

By: _____

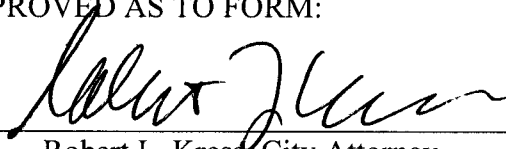

Don Kendrick, Mayor

ATTEST:



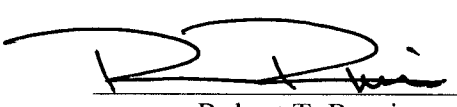
Jeannette Vagnozzi, City Clerk

APPROVED AS TO FORM:



Robert L. Kress, City Attorney

EMPLOYEE



Robert T. Russi