

**EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF NEVADA CITY AND CHAD ELLIS**

THIS AGREEMENT On April 24th, 2019 the City Manager selected Chad Ellis (hereafter “Chief of Police”) to serve as Police Chief for the City of Nevada City (“City”), and Chief of Police accepts such employment. Accordingly, the parties agree as follows:

WITNESSETH

WHEREAS, City desires to contract for services of an Employee as Chief of Police and to provide for him such terms and conditions of employment to appropriately compensate him for the responsibilities and duties of the position of Chief of Police; and

WHEREAS, in addition to the terms and conditions of employment and associated compensation for the Chief of Police, it is the desire of the City to mutually agree upon working conditions and understanding of the authorities of the position and the expectations of both the City and the Chief of Police.

NOW, THEREFORE, the parties agree as follows:

1. Term

The term of this Agreement shall begin on April 24th, 2019 (“Start/Appointment Date”) and continue until June 30, 2023

2. Duties

City hereby agrees to employ Chad E. Ellis as the Police Chief of the City of Nevada city to perform all duties and functions specified in the City’s class specification for Police Chief and such other proper duties as assigned by the City Manager. Upon his employment and becoming full-time as hereinafter provided, he shall be vested with full power and authority to manage and conduct all business of the police department in accordance with all applicable requirements of federal, state and local law. This includes duties performed at the City governmental offices or other locations on city business.

3. Hours of Work

The Police Chief shall maintain a 9/80 work schedule with the flexibility to change schedules based on City/Departmental needs and may be required to work outside normal office hours. Police Chief’s duties may require more than eight (8) hours per day and/or forty (40) hours per week.

4. Compensation

City agrees to pay the Chief of Police for services rendered, a base salary of \$108,000 per year, payable in installments at the same time as the other employees of the City are paid. The Chief of Police is exempt from overtime compensation under the Fair Labor Standards Act.

The Chief of Police’s compensation shall be reviewed at least annually in connection with the annual review required by section 7 below or at other times as may be

determined by the City Manager. Further, it is understood that it is the intent of the City Manager to increase salary, or other benefits referred to in this agreement during the four-year term of this Agreement, dependent on the quality of job performance by the Chief of Police and the City's fiscal condition.

5. Other Benefits

a. Medical Stipend

In lieu of receiving family medical, the City will pay the Chief of Police a medical stipend of Two Hundred Dollars (\$200.00) per pay period, payable in advance, amounting to Five Thousand Two Hundred Dollars (\$5,200.00) per year.

b. Life Insurance, Short Term and Long Term Disability and Workers Compensation

City shall provide, without cost to the Chief of Police, term life insurance, short term disability and long term disability benefit options as provided to all other Management and Supervisory employees. (Currently provides \$25,000 life insurance and \$300 per month for short and long term disability). The City will also provide the Chief of Police with Workers Compensation coverage

c. Vacation

The Chief of Police shall accrue vacation leave at the same accrual rate as provided to all other Management and Supervisory employees. Currently accruing four (4) weeks per year to increase to five (5) weeks at fifteen (15) years of employment with the City. The maximum accrual of vacation time shall be four hundred (400) hours with the option to "cash out" up to eighty (80) hours annually during the month of July each year. . At the acceptance of this contract the City shall pay out 80 hours of already accrued vacation time to the Chief of Police

d. Holidays

The Chief of Police shall receive fourteen (14) holidays per year as provided to all other Management and Supervisory employees per MOU.

e. Administrative Leave

The Chief of Police shall receive eighty (80) administrative hours per year as provided to all other Management and Supervisory employees per MOU. This leave may not be accrued, accumulated or carried over from year to year.

f. Sick Leave

The Chief of Police shall accrue one (1) day per month of sick leave provided to all other Management and Supervisory employees per MOU. This leave may not be accrued, accumulated or carried over from year to year.

g. Retirement

The Chief of Police is a "Classic" Safety member of the California Public Employee's retirement system. The Chief of Police will be covered under Nevada City's 3% at age 50 formula. The Police Chief's contribution towards the retirement system will be the full employees share, of 9%, consistent with all other Safety Management and Supervisory employees. The City will pay the

7. Annual Performance Evaluation

The City Manager shall evaluate the Chief of Police's performance at least once annually. The City Manager and Chief of Police shall annually develop mutually agreeable performance goals and criteria which the City Manager shall use in reviewing Police Chief's performance in the following year. It shall be Chief of Police's responsibility to initiate this review each year. The Police Chief will be afforded an adequate opportunity to discuss each evaluation with the City Manager.

8. Indemnification

City agrees to indemnify, hold harmless and defend at its expense the Chief of Police from any and all claims, actions, losses, damages, charges, expense or attorney's fees to which the Chief of Police may be subject to arising out of, or resulting from, the performance of his duties hereunder, excepting therefrom those matters arising from criminal acts or gross negligence.

9. Termination and Severance

a. Termination of Agreement

This Agreement may be terminated at any time upon the mutual written consent of both City and the Chief of Police.

b. Voluntary Resignation

The Chief of Police may terminate this Agreement at any time by providing the City not less than thirty (30) calendar days prior written notice.

c. By City without Cause

- i. City may terminate the Chief of Police without cause by providing the Chief of Police not less than thirty (30) calendar days prior written notice. In the event the City Manager shall terminate the Chief of Police's employment without cause, the City shall pay the Chief of Police a severance in the sum equal to three (3) months base salary.

d. By City with Cause

The City Manager may terminate the Chief of Police for cause, without obligation to make the severance payment to the Chief of Police specified in section 9 (c) (i) above, subject to all of the following:

- i. The City Manager shall provide the Chief of Police written notice of the charges constituting the cause for termination at least ten (10) working days prior to termination.
- ii. For the purposes of this section, "for cause" means the Chief of Police's material breach of this Agreement; conviction of a felony; conviction of a misdemeanor arising out of the Chief of Police's duties under this Agreement and involving a willful or intentional violation of law; willful abandonment of duties; or any other intentional or grossly negligent action or inaction by the Chief of Police that materially and substantially impedes or disrupts the performance of City or its organizational units, or is detrimental to employee or public safety.

10. Bonding

City shall bear the full cost of fidelity or other bond required under any law or ordinance.

11. Other Terms and Conditions

a. Employment Status

The parties agree that the Chief of Police's position is at-will employment.

b. Terms

The City Manager may from time to time fix other terms and conditions relating to the performance of the Chief of Police hereunder, provided such terms and conditions are mutually agreed upon by both parties, and are not inconsistent or in conflict with the provision of this Agreement.

c. Duties

The Chief of Police shall perform duties in accordance with all laws, ordinances, rules and regulations applicable to the position. This Agreement shall be interpreted in accordance with the laws of the State of California.

d. Agreement

The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement. Except as herein expressly provided to the contrary, the provisions of this Agreement are for the benefit of the parties solely and not for the benefit of any other person, persons or legal entities.

- i. The Police Chief acknowledges that he has not been induced to enter into this Agreement by representation or statements, oral or written, not expressly contained herein or expressly incorporated by reference. City makes no representations, warranties or guarantees contained in this Agreement.
- ii. If any provision or portion of this Agreement is held to be 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.
- iii. Venue for any disputes arising from or relating to this Agreement shall lie in Nevada County, California. If an action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable and actual attorneys' fees and costs with respect to the action.
- iv. A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver and either party shall be free to enforce any term or condition of this Agreement with or without notice to the other notwithstanding any prior waiver of that term or condition.

e. Conflict of Interest

The Chief of Police shall also be subject to the Conflict of Interest provisions of the California Government Code and any Conflict of Interest Codes applicable to employment.

f. Voluntary Termination; Death

- i. The Chief of Police may voluntarily terminate his employment, by resignation or retirement, at any time during the term of this Agreement, subject to at least thirty days' written notice by the Chief of Police to the City Manager, unless the City Manager and Chief of Police agree otherwise. In such case, City shall have no further obligation to provide payments and benefits, including severance benefits, upon the effective date of termination of employment, other than payment of accrued leave.
- ii. If the Chief of Police dies while employed by the City, his beneficiaries or those entitled to his estate shall be paid any earned salary and accrued leave at the Chief of Police's pay rate on the date of death.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above, by and between:

CITY OF NEVADA CITY, a Municipal Corporation

City Manager

Catrina Olson 5/31/19
 Catrina L. Olson, City Manager Date

Chad E. Ellis 6-3-19
 Chad E. Ellis, Chief of Police Date

ATTESTED BY: Niel Locke May 27, 2019
 Niel Locke, City Clerk Date

APPROVED AS TO FORM: Hal DeGraw 6-3-19
 Hal DeGraw, City Attorney Date