

INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

THIS AGREEMENT ("Agreement") is entered into and is effective as of January 9, 2023 ("Effective Date"), by and between the City of South San Francisco, a municipal corporation (hereinafter referred to as "City"), and Sharon Ranals (hereinafter referred to as "Ranals" or "Employee"), with reference to the following facts:

RECITALS

WHEREAS, prior to the Effective Date, Ranals was employed by the City as the City's Assistant City Manager ("ACM"). As the ACM, Ranals was entitled to the benefits afforded management employees under the Executive Management Compensation Plan.

WHEREAS, the City Council desires to employ Ranals to act as and perform the duties of the Interim City Manager.

WHEREAS, Ranals is agreeable to performing the duties of Interim City Manager under the terms and conditions of this Agreement.

WHEREAS, the City has adopted an ordinance establishing the City Manager form of government in the City of South San Francisco and setting forth the duties and responsibilities of the City Manager.

WHEREAS, it is the desire of the City and Ranals to enter into an Employment Agreement concerning compensation, benefits, terms, and conditions of employment of Ranals as the Interim City Manager and to serve the following purposes:

- A. To retain Ranals to perform services in a professional manner and to provide her compensation and employment benefits which will induce Ranals to remain in the employment of the City as Interim City Manager for the period of time specified herein;
- B. To assure Employee that, except as provided hereinafter, upon the termination of her employment as Interim City Manager, she shall return to the performance of her duties as the Assistant City Manager earning the same salary and enjoying the same benefits she would have earned and enjoyed, respectively, had she remained employed as the ACM during the term of this Agreement; and
- C. To reserve to the City, however, a fair and just means of (i) terminating the employment of Employee as Interim City Manager in the event that Ranals, for any reason, becomes unable or unwilling to discharge fully the duties of the office of Interim City Manager, or (ii) terminating the employment of Ranals as Interim City Manager in the exercise of the right of the City Council to fill the position of City Manager as the Council sees fit, and in all events to reserve to the City the right and ability to terminate Ranals's position as Interim City Manager at the will of the City Council when the position of City Manager is filled by a permanent employee or at any other time, with or without reason.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

AGREEMENT

1. EMPLOYMENT. City hereby employs the Employee, and the Employee hereby accepts employment with the City in the position of Interim City Manager, on the terms and conditions and for the compensation herein set forth.

2. SCOPE OF DUTIES AND SERVICES.

(a) Under the terms and conditions of this Agreement, Employee shall personally provide all the services 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 South San Francisco Municipal Code and other applicable laws, written policies and rules. Among other things, Employee has the authority to interview, hire and fire employees, and direct the workforce subject to the specific limitations set forth in the South San Francisco Municipal Code. In addition, Employee shall serve as Interim Executive Director of the Successor Agency to the South San Francisco Redevelopment Agency and shall assume any other positions to which the City Manager has been appointed by the City Council. Employee shall perform her obligations and responsibilities diligently within the time parameters indicated by the City Council, applying the highest degree of professionalism, ethics, integrity and competency to the discharge of every aspect of her obligations.

(b) Employee shall not engage in any activity which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Employee shall comply fully with her reporting and disclosure obligations under regulations promulgated by the Fair Political Practices Commission ("FPPC").

(c) Employee agrees to remain in the exclusive employ of the City during the term of this Agreement. Employee shall dedicate her full energies and qualifications to her employment as the Interim City Manager, and shall not engage in any other employment except as may be specifically approved in writing in advance by the City Council.

3. TERM. The term of this Agreement shall begin on the Effective Date and shall terminate upon an appointee assuming the position of City Manager; provided, however, that this Agreement may be terminated at any time in accordance with the terms and conditions of this Agreement.

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

(a) Compensation. Employee shall be paid an annual base salary of three hundred thirty six thousand six hundred eighty-nine dollars and twenty cents (\$336,689.20), which is an equivalent hourly rate of one hundred sixty-one dollars and eighty-seven cents (\$161.87). 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 employees covered by the Executive Management Compensation Plan. Employee's salary shall be payable in

installments at the same time as other employees of the City covered by and in accordance with the Executive Management Compensation Plan.

(b) General Benefits. Except as may be otherwise provided herein, Employee shall be provided the compensation and benefits offered to all other employees covered by the Executive Management Compensation Plan. As used herein, benefits include but are not necessarily limited to, vacation, sick leave, holidays, administrative leave, retirement, health insurance, dental insurance, car allowance, 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) Automobile. Employee's duties require that she have continuously available transportation for business or related purposes. Employee shall provide her own vehicle for her normal business and personal use. The Employer shall provide Employee with a monthly auto allowance pursuant to the Executive Management Compensation Plan.

(d) Expense Reimbursement.

(i) The City recognizes that certain general expenses, dues, subscriptions, travel, and subsistence expenses are reasonably incurred by the Employee in the performance of job-related activities, functions, meetings, professional development, and professional conferences such as the annual International City Manager's Association, California City Management Foundation, League of California Cities and League's Managers' Division. The City agrees to budget and pay for or reimburse the Employee for these expenses; provided, however, that the amount paid under this subsection (d)(i) shall be limited by the amount the Council budgets for such expenditures.

(ii) City agrees to reimburse Employee for expenses related to educational courses, short courses, executive coaching, seminars and institutes that will benefit the City and improve Employee's professional abilities; provided, that any such reimbursements may not exceed the amount the Council budgets for such expenditures.

(iii) City shall reimburse Employee for membership and participation in any community or civic organizations in which the City requires or encourages Employee to participate; provided, that any such reimbursements may not exceed the amount the Council budgets for such expenditures, but shall never be less than the actual costs of membership and participation in any organization in which the City requires Employee to participate.

(e) Excess Vacation Accrual. In recognition of the significant demands placed on the Interim City Manager, during the term of this agreement employee shall be permitted to exceed the vacation accrual cap of 480 hours as set forth by the Executive Management Compensation Plan. Employee shall continue to accrue vacation at 9.23 hours per pay period in accordance with the Executive Management Compensation Plan. At the end of the Interim City Manager assignment, any accrued and unused vacation hours above the 480-hours cap shall be cashed out to Employee at the hourly equivalent rate of her Interim City Manager salary as set forth in section 4(a).

5. REINSTATEMENT AS ASSISTANT CITY MANAGER. Notwithstanding

anything to the contrary stated herein, during the term of this Agreement, Employee may, upon giving the City 30 days' advance written notice, resign her position as Interim City Manager and return to the position of and be reinstated as the ACM. Employee may elect, and shall be granted, reinstatement to the position of ACM upon termination of this Agreement.

(a) In the event that Employee returns to the position of and is reinstated as the ACM for any reason hereunder, Employee's salary and benefits shall be adjusted to match that which would have been in effect at the time she is so reinstated had she not entered into this Agreement and had, during the term of this Agreement, retained and performed the duties of her position as ACM, including any across-the-board adjustments to base compensation awarded to employees covered by the Executive Management Compensation Plan. Any benefits or rights that she enjoyed solely as the Interim City Manager under the Executive Management Compensation Plan shall terminate upon her resumption of her ACM position. Under such circumstances, it shall be presumed that during the term of this Agreement Employee did not and would have not received any salary increases as the ACM as a result of any performance evaluations.

(b) During the term of this Agreement, the ACM position shall be considered a temporary assignment, and, in the event that Employee determines that said position should be filled while serving as Interim City Manager, it shall be communicated as such. Any temporary assignment to the position of ACM shall terminate upon Employee's reinstatement to the position and shall be terminable at will. Any employee accepting a temporary assignment to the ACM position shall be informed in writing that Ranals has the right to "bump" said employee out of the ACM position should Ranals's employment as Interim City Manager terminate and Ranals therefore be entitled to be reinstated to said ACM position.

6. TERMINATION AND RESIGNATION. Notwithstanding anything to the contrary stated herein, the City Council has the right, upon thirty (30) days' advance written notice to Employee, to terminate Employee's employment as Interim City Manager at any time during the term of this Agreement with or without cause, and 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 without cause, subject only to the provisions set forth in this Section 6. Notwithstanding the foregoing, the City Council may terminate Employee's employment as the Interim City Manager under this Agreement for cause as specified in Section 6(b), below, upon 24 hours' advance written notice. The parties agree that Employee serves at the will of the City Council and that this Agreement and Chapter 2.36 of the South San Francisco Municipal Code (to the extent not inconsistent with this Agreement) contain all of the terms and conditions of Employee's employment as Interim City Manager. Employee waives any and all rights that she may have (i) to challenge or appeal any such termination or (ii) to invoke any due process (procedural or substantive) rights or protections as conditions to the City's right to terminate her employment hereunder.

(a) Upon the City Council's termination of Employee's employment as Interim City Manager or termination of this Agreement, Employee shall have the right to be reinstated to the position of ACM under the same terms and conditions set forth in Section 5(a), above.

(b) Notwithstanding the foregoing, if Employee is terminated as the Interim City Manager for any or all of the reasons set forth below, then: (i) she shall not be entitled to be reinstated as the ACM, and (ii) she shall not be entitled to any severance pay under the Exempt Management Compensation Program:

(i) conviction of or plea of guilty or nolo contendere to any criminal offense involving moral turpitude or any other crime (other than minor traffic violations or similar offenses) which is likely to have a material adverse impact on the City or on the Employee's reputation, provided that Employee may be placed on administrative leave without pay should she be charged with such a crime or crimes;

(ii) conviction of any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4.

(iii) willful destruction, theft, misappropriation, or misuse of City property;

(iv) intoxication on duty, whether by alcohol or non-prescription drugs;

(v) unexcused absence;

(vi) dishonesty, fraud, or misconduct in office;

(vii) fraud or dishonesty in securing this appointment;

(viii) violation of State or federal discrimination laws concerning race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, sex or age concerning either members of the general public or City employees;

(ix) willful or unlawful retaliation against any other City official or employee or member of the general public who in good faith reports, discloses, divulges or otherwise brings to the attention of any appropriate authority any facts or information relative to actual or suspected violations of any law occurring on the job or directly related thereto; or

(x) refusal to comply with any lawful direction, decision or order given or made by a majority of the City Council

(xi) any grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of City or its organizational units; (b) is detrimental to employees or public safety; or (c) violates City's properly-established rules or procedures.

(c) If, upon the termination of this Agreement, Employee receives any cash settlement from the City related to that termination, the Employee shall fully reimburse the City the amount of said cash settlement if the Employee is convicted of a crime involving an abuse of the office of Interim City Manager. Said reimbursement shall be paid to the City within thirty (30) days after said conviction becomes final and is no longer subject to any appeal.

7. BONDING. City shall bear the full cost of any fidelity or other bond required of Employee as the Interim City Manager under any law or ordinance.

8. GENERAL PROVISIONS.

(a) Notices. Any notice to be given by either party to the other 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 addressed as follows or by email and fax (if by email and fax, the notice shall be deemed received on the date sent provided that there is evidence that the notice was received on that date):

To City: Mayor & City Council
City of South San Francisco
400 Grand Avenue
P.O. Box 711
South San Francisco, CA 94080

With copy to: Sky Woodruff, City Attorney
1999 Harrison Street, 9th Floor
Oakland, CA 94612

To Employee:

Any party may change her/its address for purposes of this section by giving the other party written notice of the new address in the manner •set forth above.

(b) Waiver. The waiver of any breach of any provision hereunder by either party to this Agreement shall not be deemed to be a waiver of any other provision or subsequent breach hereunder, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party marking the waiver.

(c) Construction of Terms. The language of all parts of this Agreement shall be construed according to their plain meaning and shall not be construed for or against either party. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment or exhibits hereto.

(d) Severability. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be unenforceable, void or invalid, in whole or in part, for any reason, the remainder of this Agreement shall remain in full force and effect. In the event of such entire or partial invalidity, the parties hereto agree to enter into supplemental or other agreements to effectuate the intent of the parties and the purpose of this Agreement.

(e) Controlling Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California, with venue proper only in the County of Marin, State of California.

(f) Entire Agreement. This Agreement constitutes the entire Agreement between the parties pertaining to the employment of Employee by the City and supersedes all prior and contemporaneous agreements, representations, promises and understanding of the parties, whether oral or in writing. No supplement, modification or amendment of this Agreement shall be binding, unless executed in writing by all parties and this Agreement may not be altered, amended or modified by any other means. Each party waives their future right to claim, contend, or assert that this Agreement was modified, canceled, superseded or changed by any oral agreement, course of conduct, waiver, or estoppel.

(g) Other Terms and Conditions of Employment. The Council, in consultation with the Employee, may fix any such other terms and conditions of employment relating to the performance of the Employee, provided the terms or conditions do not conflict with the provisions of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

CITY OF SOUTH SAN FRANCISCO

SHARON RANALS

BY: _____
Flor Nicolas, Mayor

By: _____
Sharon Ranals

ATTEST

Rosa Govea Acosta, City Clerk

APPROVED AS TO FORM

Sky Woodruff, City Attorney

5266444.4