

## **CITY OF HIDDEN HILLS**

### **EMPLOYMENT AGREEMENT (CITY MANAGER)**

THIS AGREEMENT is made and entered into as of this 15<sup>th</sup> day of April 2025, by and between the **CITY OF HIDDEN HILLS**, a general law city and municipal corporation (hereinafter "City"), and **SHAWN BAYLISS**, an individual (hereinafter "Employee"), both of whom understand as follows:

#### **RECITALS**

- A. City desires to engage the services of Employee, and Employee desires to accept employment as City Manager of the City of Hidden Hills.
- B. The City Council desires to:
  - (1) Encourage the highest standards of fidelity and public service on the part of Employee;
  - (2) Provide a just means for terminating Employee's services at such time as he may be unable fully to discharge his duties, or when City may desire otherwise to terminate his employment.
- C. The parties further desire to establish certain benefits and certain conditions of Employee's employment.

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

- I. **Duties.** City appoints and agrees to employ Employee as City Manager of City to perform the functions and duties specified in City's Municipal Code and the Government Code of the State of California, and to perform such other legally permissible and proper duties and functions as the City Council may from time to time assign. Employee agrees to perform such services to the best of his ability, in an efficient and competent manner consistent with the standards of the profession. Employee is employed fulltime and shall not consult or engage in other non-City connected business or employment (aside from community volunteer activities) without the prior knowledge and express approval of the City Council.

2. Term. This Agreement shall be effective and Employee shall commence service as City Manager no later than April 15 2025, on the date set forth in Section 17, and this Agreement shall continue for a period of five (5) years, unless terminated by either party as provided in Section 3 herein or extended by mutual agreement of the parties. Nothing stated in this Agreement or represented orally or in writing to either party shall create an obligation to renew this Agreement at the expiration thereof.

3. Termination and Resignation.

A. Employee's employment with the City is on an at-will basis and Employee shall hold office at the pleasure of the City Council. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate, by a majority vote of the City Council, the services of Employee without cause, at any time during the term of this Agreement, subject only to the City providing written notice to Employee, and complying with the Hidden Hills Municipal Code. However, in no event will the City Manager be terminated, except for cause, within ninety (90) days following any municipal election at which members of the city council are elected.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign from his position, subject only to Employee providing sixty (60) days prior written notice to the City. Employee's resignation shall be deemed accepted upon delivery of a written resignation to the Mayor, or if the Mayor is unavailable, the Mayor Pro Tem.

C. Notwithstanding the provisions of Paragraph A of this Section 3, in the event Employee is terminated by City for "cause," then City may terminate this Agreement immediately and Employee shall be entitled to only the compensation accrued up to the date of termination. As used in this section, "cause" shall mean any of the following:

- (1) Conviction of any felony.

(2) Conviction of, or plea of guilty or nolo contendere to, any crime or offense involving moral turpitude which is likely to have a material adverse impact on the City or on the Employee's reputation.

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

(4) Removal from office by the Grand Jury.

(5) Willful abandonment of duties.

(6) Repeated failure to carry out a directive or directives of the City Council made by the City Council as a body at a Brown Act-compliant meeting.

(7) Willful and persistent material neglect or abuse of duties by Employee that materially and substantially impedes or disrupts the performance of Employer or its organizational units.

D. CJPIA Chief Executive Separation Program. The Parties acknowledge that as of April 15, 2025, the City is a member of the California Joint Powers Insurance Authority ("CJPIA") which provides the City, among other things, various insurance coverage. As part of this coverage, the CJPIA provides a Chief Executive Separation Program that as of April 15, 2025, the City's City Manager would be eligible for provided compliance with all of the stated requirements of the program. The City makes no representation or warranty that the CJPIA Chief Executive Separation Program will remain applicable to Employee (*i.e.*, CJPIA may terminate program, City may change insurance providers, *etc.*) and Employee expressly acknowledges that the City has no responsibility or requirement whatsoever to guarantee or provide the benefits of the CJPIA Chief Executive Separation Program in the event Employee is no longer eligible for the CJPIA Chief Executive Separation Program for whatever reason, that the CJPIA Chief Executive Separation Program is terminated or no longer provided to the City.

4. Revolving Door. Employee must comply with Government Code § 87406.3 for a period of one year after separating from service with City. This section will survive termination of this Agreement.

5. Salary.

A. City agrees to pay Employee for the services required by this Agreement an annual salary of Two Hundred Thousand Dollars (\$200,000.00), payable in installments at the same time as other employees of the City are paid and subject to customary withholding for taxes and other required deductions. Beginning in fiscal year 2026/2027, a discretionary salary increase of up to 5% will be considered by the City Council in conjunction with each annual performance evaluation, but not less than on an annual basis.

B. Upon receipt of proof of insurance coverage in an amount acceptable to the City, City agrees to pay Employee a monthly car allowance of Five Hundred Dollars (\$500) per month. The car allowance is intended to reimburse Employee for the use of his private vehicle for City business. Employee must provide his own automobile for his use in performing his duties and is responsible for all maintenance, repair, fuel and insurance expenses for said vehicle. Employee agrees to adhere to all laws, regulations, and City policies applicable to vehicles, driving, or traffic when operating his vehicle on City-related business.

C. City shall provide Employee with an Apple iPhone with cellular service for transaction of City business and City shall pay the monthly expense. This iPhone shall be used as the main primary phone for communications between City Councilmembers and Employee.

6. Hours of Work. Employee shall generally work when City Hall is open for business as determined by the City Council and shall devote such time, interest, and effort to the performance of his duties as may be reasonably necessary to fulfill the requirements set forth in Section I. Due to the nature of the position, Employee's duties involve expenditures of time in excess of forty (40) hours per week and will also include time outside normal office hours, such as attendance at City Council and other meetings, responding to emergencies and being available on nights and weekends to consult with City Councilmembers. Employee shall be exempt from paid overtime compensation and from Fair Labor Standard Act work hour restrictions. Employee is expected to work from City Hall when City Hall is open for business unless Employee has provided notice to the

City Council of the dates/times when Employee will be working elsewhere, or is otherwise taking personal time off as provided for in this agreement. Notice of time away from City Hall may be provided by phone call, text message or email.

7. Retirement, Insurance, and Other Benefits.

A. Retirement. City agrees to execute all necessary agreements to enroll Employee in the California Public Employees Retirement System ("CalPERS"). Pursuant to the Public Employees' Pension Reform Act ("PEPRA"), Employee is a new member to CalPERS, as "new member" is defined in Government Code § 7522.04(f). During the term of this Agreement, City shall pay the employer's portion of the normal cost of Employee's membership in CalPERS, and Employee shall pay the employee's portion of the normal cost of Employee's membership in CalPERS. Employee acknowledges that his CalPERS member status and applicable retirement formula is determined by CalPERS based on the requirements of the City's CalPERS contract, the Public Employees Retirement Law, and PEPRA, and that Employee will be enrolled in the appropriate retirement plan as determined by CalPERS, which for new members is the 2% at 62 formula. Employee shall pay any legally required Social Security withholding.

B. Medical and Other Insurance. City shall provide Employee with the same health insurance, disability insurance and life insurance benefits as is provided to other employees of the City. The City shall pay one hundred percent (100%) of the premium coverage for Employee. Employee shall be responsible for all co-pays, charges, out-of-pocket expenses, and other costs required by the insurance provider or for any such co-pays, charges, out-of-pocket expenses, and other costs not covered by insurance. Employee may add family members to the plans at Employee's sole expense.

C. Other Insurance. City shall provide and pay for all other insurance provided to other employees mandated by State law.

8. Sick Leave, Vacation and Holidays.

A. Sick Leave. Employee shall earn 120 hours (15 days) of sick leave per year. For calendar year 2025, sick leave accrues and is accounted for on a

prorated basis in each pay period at the same rate as is provided to other employees of the City. Beginning January 1, 2026 and each calendar year thereafter, the 120 hours of sick leave will be front loaded for use beginning on January 1<sup>st</sup>. Sick leave will not accrue and will not carry over from year to year. Sick leave does not have any cash value and may not be paid out upon separation of employment. Sick leave may be used for personal illness, illness of a spouse or dependent, and doctor and dentist appointments, or as otherwise provided under California law.

B. Vacation. Employee shall earn 80 hours (10 days) of vacation leave per year at the same rate as is provided to other employees of the City. Vacation leave accrues and is accounted for on a prorated basis in each pay period. Employee may accrue up to a maximum of 160 hours and elect to cash out unused vacation up to a maximum of 80 hours on an annual basis. Employee will be paid for any unused vacation leave upon voluntary or involuntary separation at the then-current rate of pay.

C. Management Leave. Employee shall be provided forty (40) hours of management leave each calendar year. Management leave will not accrue or carry over from year to year nor does it have any cash value. Management leave will be prorated for partial years' service and is available in full upon commencement of employment and at the beginning of each calendar year thereafter.

D. Bereavement Leave. Employee shall be entitled to five working days of bereavement leave as provided in the City's Personnel Policies (Resolution No. 1021). Bereavement leave does not accrue or carry over from year to year nor does it have any cash value.

E. Holidays. Employee shall be entitled to the same number of paid holidays per year as provided to other City employees as set forth in the City's Personnel Policies (Resolution No. 1021).

9. Professional Development. City agrees to budget for and pay travel and subsistence expenses of Employee for professional travel, official travel, meetings necessary to pursue official and other functions for the City and to continue

professional development of Employee, to the extent deemed reasonable by the City Council.

10. Memberships. City agrees to pay Employee's membership dues in the International City Management Association ("ICMA"), California League of Cities, California City Managers Foundation and other similar organizations reasonably necessary to develop and maintain skills and abilities as a public administrator, at City expense with prior City approval. Employee shall have a reasonable right to attend meetings of such organizations.

11. General Expenses. City recognizes that certain extraordinary expenses of a non-personal and job affiliated nature may be incurred by Employee. City agrees to reimburse Employee for reasonable expenses which are submitted to the City Council within thirty (30) days for approval and which are supported by expense receipts, statements or personal affidavits, and an audit thereof in like manner as other demands against the City.

12. Evaluation of Performance. The City Council shall conduct a full performance evaluation at or about Employee's one year anniversary date (and no later than May 31, 2026) and annually thereafter, or at any other time requested by Employee. In the annual evaluation, the Council and Employee shall jointly define such goals and performance objectives that they determine necessary for the proper operation of the City and for the attainment of the Council's policy objectives and shall further establish a relative priority among those goals and objectives. Notwithstanding the foregoing, the City Council may evaluate Employee and provide him with a written evaluation at any time, and may in its discretion synchronize Employee's annual performance evaluations to correspond to the City's fiscal year or the calendar year.

13. Other Terms and Conditions of Employment. The City Council may from time to time fix other terms and conditions of employment relating to the performance of Employee provided such terms and conditions are not inconsistent with

or in conflict with the provisions of this Agreement, the Municipal Code, or other applicable law.

14. Assembly Bill 1344 Compliance. To the extent City provides: (i) paid leave to Employee pending an investigation; (ii) funds for the legal criminal defense of the Employee; and/or (iii) a cash settlement to Employee related to the termination of the Employee pursuant to Paragraph 3 of this Agreement and Government Code Section 53243 *et seq.*, Employee shall fully reimburse the City for any and all amounts paid by the City which fall within subsections (i) through (iii) of this section in the event that the Employee is convicted of a crime involving the abuse of his office or position.

15. General Provisions.

A. The text herein shall constitute the entire agreement between the parties. No representations have been made or relied upon except as set forth herein. This Agreement may be amended or modified only by a written, fully executed agreement of the Parties.

B. If Employee dies or becomes incapacitated during the term of this Agreement, any accrued and unpaid wages provided by the terms of this Agreement shall be paid by City to Employee's spouse.

C. If any provision or portion hereof contained in this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement or portion thereof shall be deemed severable and shall not be affected and shall remain in full force and effect.

D. City agrees to defend and indemnify Employee in accordance with the California Government Code. This Section will survive termination of the Agreement.

E. City shall bear the cost of any fidelity or other bonds required of Employee under any law or ordinance.

F. This Agreement may be changed or amended by the mutual written consent of City and Employee.



G. Employee is expected to conform to the ICMA Code of Ethics and must comply with all applicable conflict of interest provisions of the California Government Code and City's conflict of interest code. Employee shall not engage in any business or transaction, or have a financial or other personal interest or association, direct or indirect, that is in conflict with the proper discharge of his official duties or that would tend to impair the independence of his judgment or action in the performance of his official duties.

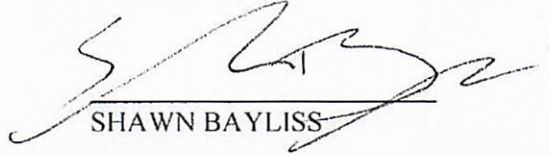
H. This Agreement is not assignable by either the City or Employee. City and Employee acknowledge that this Agreement is a personal services agreement for the personal services of the City Manager.

I. This Agreement shall be construed in accordance with the laws of the State of California and the parties agree that venue shall be in the state court in the County of Los Angeles, California.

17. Effective Date. This Agreement shall be effective and Employee shall commence employment on April 15, 2025, which date shall be inserted in the blank in Sections 2 and 17 by the City Clerk on the date Employee commences employment.


IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

EMPLOYEE

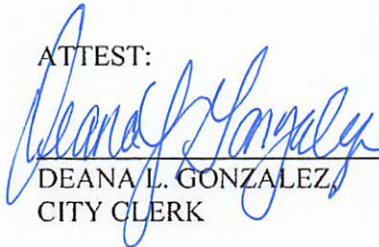
  
SHAWN BAYLISS

CITY OF HIDDEN HILLS

By:

  
LARRY WEBER, MAYOR

ATTEST:

  
DEANA L. GONZALEZ,  
CITY CLERK

APPROVED AS TO FORM:

  
LAUREN LANGER,  
CITY ATTORNEY