EMPLOYMENT AGREEMENT BETWEEN THE CITY OF BRAWLEY AND REBECCA TERRAZAS-BAXTER

This Employment Agreement (hereinafter "Agreement") is made this 23rd day of June 2025 by and between the City of Brawley, a municipal corporation (hereinafter "Employer"), and Rebecca Terrazas-Baxter (hereinafter "Employee").

WITNESSETH

WHEREAS, the City of Brawley desires to appoint Rebecca Terrazas-Baxter to serve in the position of City Manager and to establish the terms and conditions of her employment; and

WHEREAS, Employer and Employee have negotiated the terms and conditions of employment; and

WHEREAS, Employee accepts such employment on the terms and conditions set forth herein; and

WHEREAS, the parties wish to execute an agreement covering terms and conditions of employment.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Position and Duties.

Employee shall serve as the City Manager for the City of Brawley commencing 21st day of July 2025, and ending July 20, 2028. Thirty (30) days prior to the end of the term, the City Council and the employee will negotiate terms and conditions of potential future employment.

Compensation.

As payment and consideration for the services rendered by Employee under this Agreement, the Employer shall compensate Employee with the following base annual salary, subject to applicable taxes and withholdings:

July 21, 2025, through July 20, 2026 ("Year 1"): One hundred ninety-two thousand dollars (\$192,000)

July 21, 2026, through July 20, 2027 ("Year 2"): Two hundred two thousand dollars (\$202,000)

July 21, 2027, through July 20, 2028 ("Year 3"): Two hundred twelve thousand dollars (\$212,000)

The above salaries represent the base salary amounts and do not include any increases that may result from the Employee's annual performance evaluations. Any approved merit-based increases, as outlined in Section 3 (Annual Review), shall be applied to the applicable base salary retroactive to July 21 of each year.

Salary payments shall be made in accordance with the Employer's regular payroll schedule.

Business expenses reasonably incurred in performing the duties of the City Manager shall be reimbursed by the Employer in accordance with Employer's duly adopted travel policy. Employer shall also pay for Employee's annual dues for memberships needed for the position of City Manager. Employer shall also pay for Employee's travel and subsistence expenses of the Employee for short courses, institutes and seminars that are necessary for the Employee's professional development and for the good of the Employer with prior approval from the Council. Expenses not specifically budgeted require prior approval of the City Council.

3. Annual Review.

Annual performance evaluations shall be conducted by the City Council no less than once per year. Evaluations shall be based on the execution of City Manager duties and an approved work plan.

Upon receiving a satisfactory performance evaluation for Year 1, the Employee shall receive a 2% increase to Year 2 base salary. Upon receiving a satisfactory performance evaluation for Year 2, the Employee shall receive a 3% increase to Year 3 base salary.

Any approved salary increase resulting from the annual evaluation shall be retroactive to July 21 of the applicable year, regardless of the evaluation date.

4. Car Allowance.

Employee shall receive a car allowance in the amount of four hundred dollars (\$400.00) per month.

5. Residence.

Employee agrees to reside within a thirty-minute response time to the Administration office.

Cell Phone Allowance.

Employer agrees to pay Employee a cell phone allowance of \$75 per month.

7. Medical/Life Insurance.

<u>Group Health Plan</u>. Employee shall be eligible for the Employer's comprehensive major medical, dental, life and vision care insurance program that is provided to other City management team employees.

8. Retirement.

Employer shall maintain Employee in the PERS 2%@62 for PEPRA Miscellaneous Members, One Year Final Compensation Plan. Employee will continue to contribute to the Public Employees' Retirement System (PERS) the Employee portion which is currently at 7.75% of the base pay.

9. <u>At-Will Employment Status and Exemption from City's Personnel System.</u>

Employee's employment is at-will and Employee is exempt from the City's Personnel System and has no property rights in her employment. It is further understood and agreed by and between the parties that the Employee serves at the will and pleasure of the City Council.

10. Leave.

Paid leave is provided to Employee for the purpose of rest and relaxation from duties and for attending to medical situations and personal business. Such leave includes time commonly referred to as administrative leave. Employee shall accrue vacation, sick leave and administrative leave in the same manner as other City management team employees.

- a. <u>Scheduling</u>. Employee's requests to take leave must have prior approval of Employer. Such approval shall not be unreasonably withheld.
- b. <u>Payment of Annual Leave at Termination</u>. Upon termination of employment, Employee shall be paid for any accrued leave in the same manner as other City management team employees.

11. Holidays.

Employee shall receive those holidays provided to City management team employees.

12. Full-Time Commitment.

During the term of this Agreement, Employee shall dedicate full time to fulfilling her responsibilities hereunder. Employee shall not be involved in any outside activity that conflicts with the performance of her duties as the City Manager for the City of Brawley.

13. <u>Termination/Severance Pay.</u>

In the event Employer wishes to terminate Employee for other than willful misconduct, the Employer shall give Employee thirty days (30) written notice. If Employee is terminated for other than willful misconduct, Employee receives a severance in an amount equal to six (6) times her monthly base salary at the end of the notice period.

14. Severability.

If any of the provisions of this Agreement are held to be illegal, invalid or unenforceable in any respect, the remainder of the agreement and all other provisions hereunder shall not be affected thereby, and such provision shall be deemed to be modified to the extent necessary to permit its enforcement to the maximum extent permitted by applicable law.

15. Assignment.

This agreement shall be binding upon and insure to the benefit of Employer, its successors and assigns and to the benefit of Employee, her heirs, and legal representatives, except that Employee's duties to perform future services and the right to receive payment therefore are hereby expressly agreed to be non-assignable and nontransferable.

16. Governing Law.

This agreement shall be governed by the laws of the State of California, and any litigation concerning this Agreement shall be filed and maintained in the State of California.

17. Complete Agreement.

This document between the parties constitutes the complete agreement and supersedes all previous agreements and understandings.

18. <u>Indemnification</u>.

Employer agrees to defend, indemnify, and hold harmless the Employee from claims arising from Employee's acts within the scope of her employment as required by law.

19. Notices.

Any notice to be given Employee hereunder shall be sufficiently served if given to her personally, or if deposited in the United States mail, registered or certified, addressed to her at the address on file, or at such other address as Employee may hereafter specify for the service of notices. Any notice to be given to the Employer hereunder shall be addressed to the City Council of the City of Brawley and delivered to the City Clerk at City Hall, 383 Main Street, Brawley, California 92227.

20. Attorney's Fees and Costs.

If any action of law or in equity is necessary to enforce or interpret the terms of this agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief, which such party may be entitled. As used in this provision, a party shall be deemed to prevail only if they recover an amount in excess of an offer and compromise filed in the action pursuant to the provisions of Section 998 of the <u>California Code of Civil Procedure</u>. Any award of attorney's fees pursuant to this provision shall be based on only the amount recovered in excess of the offer and compromise.

IN WITNESS WHEREOF the said parties have executed this agreement as of this 23rd day of June, 2025.

EMPLOYER

By

Gil Rebollar, Mayor, City of Brawley

EMPLOYEE

By

Rebecca Terrazas-Baxter

APPROVED AS TO FORM:

By

By

William Smerdon, City Attorney

ATTEST:

Ana Gutierrez, City Clerk