

**City Manager Employment Agreement
City of Big Bear Lake**

Introduction

This Agreement, made and entered into this 11th day of August, 2022, by and between the City of Big Bear Lake, California, a charter city and municipal corporation in the State of California ("City" or "Employer"), and Erik Sund ("City Manager" or "Employee") an individual who has the education, training and experience in local government management.

1. TERM

The City hereby agrees and does employ City Manager commencing on September 19, 2022 ("Commencement Date") and continuing until terminated in accordance with Section 8 of this Agreement.

2. DUTIES AND AUTHORITIES

City agrees to employ City Manager, and City Manager agrees to accept and begin employment on the Commencement Date to perform the functions and duties specified in Chapter 2.04 of the City of Big Bear Lake Municipal Code and as provided in the City's Charter. In addition, City Manager shall have the powers and duties which are delegated to him by the City Council. City Manager shall execute all powers and duties in accordance with policies adopted by the City Council and applicable state and federal laws.

3. COMPENSATION

A. Base Salary: City agrees to pay City Manager an annual base salary of two hundred sixty-five thousand dollars (\$265,000.00), payable in installments at the same time that the other management employees of Employer are paid.

B. The City Council may upwardly adjust City Manager's annual base salary from time to time at its discretion. Any such adjustments shall be made in open session during a regularly scheduled meeting of the City Council, with a record of said City Council action being subsequently attached to this Agreement as an automatic amendment thereto.

4. BENEFITS

A. City agrees to pay the monthly premium cost of the Health Maintenance Organization (HMO) plan for City Manager plus his eligible dependents. In addition, the City agrees to provide City Manager with dental and vision coverage for the Employee plus his eligible dependents.

B. City shall pay the amount of premium due for a policy, selected by City, of term life insurance in the amount of two hundred fifty thousand dollars (\$250,000.00). City Manager shall name the beneficiary of the life insurance policy.

C. City Manager shall accrue vacation leave at the rate of eighty (80) hours per year (two weeks) on an annual basis. Upon commencement of employment, forty (40) hours (one week) will be loaded into City Manager's leave bank.

D. City Manager shall be entitled to twelve (12) paid holidays on an annual basis.

E. City Manager shall accrue sick leave at the rate of eighty-eight (88) hours per year. Unused sick leave may be accrued without limit. After the completion of five (5) years of continuous service, City Manager is eligible to cash out twenty-five percent (25%) of accrued sick leave upon termination.

F. Annually, on the pay period including January 1st, City Manager shall receive fifty-six (56) hours of paid administrative leave. Maximum accrual of administrative leave shall be one hundred and twelve (112) hours. City Manager will receive a prorated amount of administrative leave for the remainder of this calendar year.

G. Annually, on the pay period including July 1, City Manager shall receive three (3) personal leave days (24 hours). Maximum accrual of personal leave days shall be forty-eight (48) hours. City Manager will receive a prorated amount of administrative leave for the remainder of this fiscal year.

H. City will contribute a matching Deferred Compensation benefit not to exceed three percent (3%) of Employee's base salary.

5. RETIREMENT

A. Retirement: City agrees to enroll City Manager into the San Bernardino County Employee Retirement System (SBCERA) under the same terms as other non-safety employees of the City. City Manager will pay his own employee contribution.

6. AUTOMOBILE AND GENERAL BUSINESS EXPENSES

A. City Manager is considered to be on duty at all times and as such, his duties require the exclusive and unrestricted use of an automobile provided by the City during the duration of this Agreement. The City shall be responsible for providing liability, property damage and comprehensive insurance and for the operation, maintenance, repair and replacement of such an automobile.

B. City agrees to budget reasonable sums for and to pay for professional dues and subscriptions of City Manager necessary for continuation and full participation in national, regional, state, and local associations, and organizations

necessary and desirable for City Manager's continued professional participation, growth, and advancement, and for the good of the City.

C. City agrees to budget reasonable sums for and, consistent with the City's reimbursement policy adopted pursuant to Assembly Bill 1234, as it may be amended from time to time, to pay for travel and subsistence expenses of City Manager for professional and official travel, meetings, and occasions to adequately continue the professional development of City Manager and to pursue necessary official functions for Employer, including but not limited to the ICMA Annual Conference, League of California Cities, and such other national, regional, state, and local governmental groups and committees in which City Manager serves as a member.

D. City agrees to budget reasonable sums for and, consistent with the City's reimbursement policy adopted pursuant to Assembly Bill 1234, as it may be amended from time to time, to pay for travel and subsistence expenses of Employee for short courses, institutes, and seminars that are necessary for City Manager's professional development and for the good of City.

E. City recognizes that certain expenses of a non-personal but job-related nature are incurred by City Manager, and agrees to reimburse or to pay reasonable general expenses consistent with the City's reimbursement policy adopted pursuant to Assembly Bill 1234, as it may be amended from time to time. The Director of Administrative Services is authorized to disburse such moneys upon receipt of duly executed expense or petty cash vouchers, receipts, statements or personal affidavits.

7. TECHNOLOGY

City shall provide City Manager with a laptop computer or equivalent and shall pay City Manager a technology stipend of one hundred (\$100.00) dollars per month towards Employee's cell phone bill.

8. TERMINATION

A. Employee serves at the will and pleasure of the City Council and may be terminated at any time, with or without cause by a majority vote of the full membership of the City Council as then constituted.

B. If Employer reduces the base salary, compensation or any other financial benefit of Employee, unless it is applied in no greater percentage than the average reduction of all department heads of the City, such action shall constitute a breach of this Agreement and will be regarded as a termination.

C. If Employee resigns following an offer to allow resignation in lieu of termination, made following a majority vote of the full membership of the City Council as then constituted, Employee may declare a termination as of the date of the offer.

9. SEVERANCE

A. Severance shall be paid to City Manager when employment is terminated in accordance with Section 8. Said severance payment shall be equal to six (6) months' salary at the then current base rate of pay. This severance shall be paid in a lump sum unless otherwise agreed to by City and City Manager. Said severance payment shall be subject to all applicable payroll deductions. This severance shall be independent of any other form of severance provided by the City's joint powers insurance authority or other carrier.

B. Notwithstanding Section 9(a) above, if City Manager is terminated because of a conviction of a felony or other serious misconduct, then the City is not obligated to pay severance under this section.

C. Pursuant to Government Code sections 53243, 53243.1 and 53243.2, if Employee is convicted of a crime involving an abuse of his/her office or position, all of the following shall apply: (1) if Employee is provided with administrative leave pay pending an investigation, Employee shall be required to fully reimburse City such amounts paid; (2) if City pays for the criminal legal defense of Employee (which would be in its sole discretion, as it is generally not obligated to pay for a criminal defense), Employee shall be required to fully reimburse City such amounts paid; and (3) if this Agreement is terminated, any Severance Pay and Severance Benefits related to the termination that Employee may receive from City shall be fully reimbursed to City or void if not yet paid to Employee. For purposes of this Section, abuse of office or position means either: (1) an abuse of public authority, including waste, fraud, and violation of the law under color of authority; or (2) a crime against public justice, including, but not limited to, a crime described in Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

10. RESIGNATION

In the event that City Manager voluntarily resigns his position with City, City Manager shall provide a minimum of sixty 60 days' notice unless the parties agree otherwise. City is not obligated to pay severance if City Manager voluntarily resigns.

11. PERFORMANCE EVALUATION

The City Council shall evaluate City Manager's performance annually on the anniversary of the Commencement Date of this Agreement. At the annual review, the City Council shall consider whether to provide City Manager, at City Council's discretion, with an increase to his base salary in the event of a favorable performance evaluation.

City Manager shall remind the City Council of its obligation to conduct the annual performance evaluation. While the City Council shall consult with City Manager over the format and process of any evaluation, the ultimate format and process shall be at the City Council's discretion.

Nothing in this section shall prohibit the City Council from evaluating City Manager's performance at any other interval or time.

12. HOURS OF WORK

It is recognized that City Manager must devote a great deal of time outside the normal office hours on business for City, and to that end City Manager shall be allowed to establish an appropriate work schedule, subject to the direction of the City Council.

13. OUTSIDE ACTIVITIES

The employment provided for by this Agreement shall be City Manager's sole employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to City and the community, City Manager may elect to accept limited teaching, consulting or other business opportunities on condition that such arrangements shall not cause interference with or constitute a conflict of interest with City Manager's responsibilities under this Agreement.

14. RESIDENCY

The City Council hereby finds that City Manager's availability during emergencies and disasters is of paramount importance to the City's provision of emergency services, and that during floods, earthquakes and serious winter storms, both physical access and communications to the City may be impaired. Based on these circumstances, City Manager agrees that the City's functions during emergencies and disasters require that City Manager live within the Big Bear Valley.

15. INDEMNIFICATION

City shall defend, save harmless and indemnify City Manager against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of City Manager's duties or resulting from the exercise of judgment or discretion in connection with the performance of City Manager's duties or responsibilities, as required by law.

Further, City agrees to pay all reasonable litigation expenses of City Manager throughout the pendency of any litigation to which the Employee is a party, witness or advisor to the City. Such expense payments shall continue beyond City Manager's service to the City as long as litigation is pending. Further, City agrees to pay Employee reasonable consulting fees and travel expenses when City Manager serves as a witness, advisor or consultant to City regarding pending litigation.

16. BONDING

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

17. NOTICES

Notice pursuant to this Agreement shall be given by depositing same in the custody of the United States Postal Service, postage prepaid, addressed as follows:

A. CITY

To The Mayor
City of Big Bear Lake
39707 Big Bear Boulevard
P. O. Box 10000
Big Bear Lake, CA 92315

with a copy to:

Stephen P. Deitsch
Best Best & Krieger, LLP
2855 E. Guasti Rd., Suite 400
Ontario, CA 91761

B. CITY MANAGER:

Erik Sund
City Manager
City of Big Bear Lake
39707 Big Bear Blvd.
P.O. Box 10000
Big Bear Lake, CA 92315

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.


20. GENERAL PROVISIONS

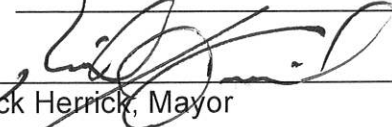
A. Integration. This Agreement sets forth and establishes the entire understanding between City and City Manager relating to the employment of City Manager by City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.

B. Binding Effect. This Agreement shall be binding on City and City Manager, as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Effective Date. This Agreement shall become effective on August 11, 2022. However, City Manager shall begin employment on September 19, 2022, with all compensation and benefits beginning on that date.

D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

Dated: 8/11/2022
By: 
Erik Sund, City Manager

Dated: 8.11.2022
By: 
Rick Herrick, Mayor