

**CONSENT CALENDAR****Agenda Item # 8****AGENDA REPORT SUMMARY**

Meeting Date: November 24, 2020

Subject: Approve Separation Agreement and General Release between the City of Los Altos and City Manager Chris Jordan and Appoint Deputy City Manager Jon Maginot as Acting City Manager

Prepared by:

Attachment(s)

1. Separation Agreement and General Release

Requested By:
City Council

Previous Council Consideration: None

Fiscal Impact:

Funding for the City Manager position, which includes salary and benefits, is authorized in the General Fund of the City's Annual Budget. A supplemental appropriation may be necessary later in the fiscal year. The severance and benefits are equal to 9 months at current rate.

Environmental Review:
Not applicable

Discussion/Summary:

On November 11, 2020, City Manager Chris Jordan executed a Separation Agreement and General Release resigning his position as of December 5, 2020. The City Council approval of the agreement will serve to accept his resignation subject to the terms and conditions of the Separation Agreement and General Release. The City Council intends to appoint the Deputy City Manager, Jon Maginot, as Acting City Manager. The City further intends to recruit for an Interim City Manager while an extensive recruitment for the new City Manager is conducted.

Recommended Motion:

Approve the Separation Agreement and General Release between the City of Los Altos and City Manager Chris Jordan and appoint Deputy City Manager, Jon Maginot, as Acting City Manager effective December 6, 2020.

Reviewed By:

City Manager

CJ

City Attorney

JH

Finance Director

SE

SEPARATION AGREEMENT AND GENERAL RELEASE

This SEPARATION AGREEMENT AND GENERAL RELEASE (hereinafter referred to as the "Agreement") is made and entered into between the City of Los Altos ("City") and Christopher A. Jordan ("Jordan") for the following purposes and with reference to the following facts (City and Jordan are collectively hereinafter referred to as the "Parties"). The effective date ("Effective Date") of the Agreement shall be the date on which it is fully executed and approved by the Los Altos City Council.

This Agreement arises out of Jordan's employment with the City as City Manager under the Agreement for Employment of City Manager, as amended in 2017 and 2019 (hereinafter, "Employment Agreement") entered into between the parties on August 23, 2016 and incorporated herein as Exhibit 1. The purpose of this Agreement is to settle and compromise any and all possible present and future disputes and controversies existing or which in the future may exist between the City and Jordan related to Jordan's employment relationship with the City and/or arising from any other facts or causes existing on or prior to the date each party signs this Agreement, whether known or unknown, including but not limited to those described herein.

WHEREAS, Jordan and the CITY now desire to compromise and settle all claims, demands, complaints, actions, charges, litigation and causes of action, whether now known or unknown that arise from Jordan's employment with the City;

NOW THEREFORE, in consideration of the mutual promises and covenants herein, and for other good and valuable consideration, the Parties agree as follows:

1. Jordan shall tender his resignation, effective December 5, 2020 (hereinafter, the "Resignation Date"), which shall be irrevocable after the time period set

forth in Paragraph 12 has elapsed. On the Effective Date of the Agreement, Jordan shall tender his resignation and the City shall accept such resignation. A copy of said resignation (Resignation Letter) is attached hereto as Exhibit 2 and is a material term of this Agreement. The City and Jordan shall announce the resignation no later than November 18, 2020.

2. The City will pay Jordan a lump sum severance payment equal to nine (9) months' base salary (in addition to any accrued leave balances that are compensable per City policy upon the ending of employment), provided that Jordan has not exercised his revocation rights laid on in Paragraph 12 herein. This payment will be made no sooner than January 1, 2021 and no later than January 13, 2021.

3. The City will reimburse Jordan for the full amount of his COBRA premiums for him (and any dependents currently on his health insurance) through the earlier of nine (9) months after Jordan's last day in City employment, or the date Jordan becomes eligible for health insurance with another employer, provided that Jordan has not exercised his revocation rights laid on in Paragraph 12 herein. The reimbursement will be made upon submission of documentation reflecting the COBRA payments made by Jordan.

4. Regarding the loan that the City made to Jordan to purchase a residence in the City of Los Altos, Jordan shall have until December 5, 2021 to repay the loan in full, (provided that Jordan has not exercised his revocation rights laid on in Paragraph 12 herein), it being the parties' intent that the terms and conditions of the Promissory Note between Jordan and the City are still in effect, aside from the December 5, 2021,

Accelerated Maturity Date date stated herein. This provision amends Section 4.b of the Employment Agreement attached hereto as Exhibit 1.

5. Jordan releases the City, members of the City Council, officers, agents, deputies, representatives, servants, employees, successors, assigns, predecessors, divisions, branches, or attorneys from any and all complaints, charges of discrimination, claims, lawsuits, requests for information, or grievances that are based on facts that occurred up to the date he executes this Agreement, except for (1) any claims based on the lawsuit entitled *Satish Ramachandran v. Best, Best and Krieger et al.*, United States District Court case number 5:20-cv-03963 or any claims based on the lawsuit entitled *Satish Ramachandran v. City of Los Altos et al.*, United States District Court Case No. 5:18-cv-01223 ("the non-released claims"). Nothing in this Agreement shall be construed to release or undermine Jordan's rights and/or the City's responsibilities under the statutory and common law regarding the rights afforded to public employees to defense and indemnification. Jordan agrees to withdraw or dismiss, with prejudice, any complaint, claim, lawsuit, request for information or grievance (except the non-released claims) that he has filed against the City that is based upon facts that occurred up to the date he executes this Agreement. This Agreement extends to any such complaint, claim, request for information, lawsuit, grievance or charge filed in any state or federal court, with any administrative body, agency, board, commission, or entity whatsoever, except the excluded claims. This release does not include claims arising from or pertaining to each party's obligation to perform under this Agreement.

This Agreement does not limit Jordan's ability to bring an administrative charge with an administrative agency, but Jordan expressly waives and releases any right to

recover any type of personal relief from the City, including monetary damages, in any administrative action or proceeding, whether state or federal, and whether brought by Jordan or on his behalf by an administrative agency, related in any way to the matters released herein. Furthermore, nothing in this Agreement prohibits Jordan from reporting possible violations of law or regulation to any government agency or entity, including but not limited to the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, the Department of Labor and/or the Department of Justice, or making other disclosures that are protected under the whistleblower provisions of law. Jordan does not need prior authorization of the City to make any such reports or disclosures and is not required to notify the City that he has made such reports or disclosures.

6. Jordan agrees and understands that the CITY is not providing him with any tax or legal advice and makes no representations regarding tax obligations or consequences, if any, related to this Agreement, and no other representations as to the legal effect of this Agreement.

7. Jordan hereby fully, irrevocably and unconditionally releases and discharges the City from any and all claims, actions, causes of action, judgments, liens, indebtedness, damages, obligations, losses, liabilities, costs, claim for attorneys' fees or costs, and all other claims and rights of action of all kinds and descriptions, which they have or may have, whether known or unknown, suspected or unsuspected, which were raised or might have been raised, or arise out of, or are connected with, Jordan's employment, except for the non-released claims.

8. Jordan agrees, to the fullest extent permitted by law, that he will not initiate or file a lawsuit to assert any claim released herein. If any such action is brought, this Agreement will constitute an affirmative defense thereto.

9. Jordan agrees that he enters into this Agreement voluntarily, and also expressly acknowledge that he has been informed of and is familiar with California Civil Code § 1542 which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASING PARTY.

Jordan expressly waives the provisions of California Civil Code § 1542, and further waives any rights he might have to invoke said provisions now or in the future with respect to the releases set out in this Agreement. Jordan hereby agrees to accept and assume the risk that any fact with respect to any matter in this Agreement may hereafter be found to be other than or different from the facts he believes at the time of this Agreement to be true, and agrees that this Agreement shall be and will remain effective notwithstanding any such differences in fact.

10. Jordan understands and expressly agrees that this Agreement shall bind and benefit his spouse, children, heirs, agents, attorneys, representatives, and assigns.

11. Each party bears its own costs and attorneys' fees.

12. WAIVER OF RIGHTS OR CLAIMS PURSUANT TO TITLE 29 OF THE CODE OF THE LAWS OF THE UNITED STATES OF AMERICA AND CHAPTER 14, ENTITLED "AGE DISCRIMINATION IN EMPLOYMENT." Jordan specifically acknowledges that pursuant to Title 29 of the U.S. Code, entitled "AGE DISCRIMINATION IN EMPLOYMENT," 1) it shall be unlawful for an employer to fail or refuse to hire or to discharge any individual or otherwise discriminate against any individual with respect to his/her compensation, terms, conditions, or privileges of employment, because of such individual's age; 2) to limit, segregate, or classify employees in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his/her status as an employee, because of such individual's age; or 3) to reduce the wage rate of any employee in order to comply with said Chapter. Jordan hereby acknowledges and agrees that this Agreement constitutes a knowing and voluntary waiver of any and all rights or claims that exist or that Jordan has or may claim to have under the Age Discrimination in Employment Act (ADEA) for acts or omissions up to the date she executes this Agreement. EMPLOYEE acknowledges that:

a. the consideration provided through this Agreement is the sole consideration he will receive from the City or its members of the City Council, officers, agents, deputies, representatives, servants, employees, successors, assigns, predecessors, divisions, branches, or attorneys;

b. he has been and is hereby advised in writing to consult with an attorney prior to signing this Agreement;

c. he has been provided a full and ample opportunity to study this Agreement, including a period of at least 21 days within which to consider entering into this Agreement;

d. to the extent that Jordan takes less than 21 days to consider this Agreement prior to execution, Jordan acknowledges that he had sufficient time to consider this Agreement with his legal counsel and that he expressly, voluntarily and knowingly waives any additional time; and

e. he is aware of his right to revoke this Agreement at any time within the seven-day period following the date he signs the Agreement and that the Agreement shall not become effective or enforceable until the seven-day revocation period expires. Notice of revocation must be made in writing and must be received by City no later than the seventh day after Jordan executes this Agreement.

13. Jordan represents that he has had the opportunity to thoroughly discuss the terms of this Agreement with representatives of his own choosing, that he has carefully read and fully understands all of the provisions of this Agreement, and that he is voluntarily entering into this Agreement without coercion. Jordan understands that the waiver he has made and the terms he has agreed to herein are knowing, conscious, and with the full appreciation that he is forever foreclosed from pursuing any of the rights so waived. No promise, inducement, or agreement not expressed herein has been made to Jordan in connection with this Agreement.

14. The City agrees that the current members of the City Council will not make any public statement about Jordan that is both false and injurious. Jordan agrees

not to make any public statement about the City or its employees or elected officials that is both false and injurious.


15. The City agrees that Jordan may retain the Microsoft Surface tablet that he has been issued by the City.

16. This Agreement is executed and delivered in the State of California and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with the laws of the State of California.

17. No waiver by any party of any breach of any term or provision of this Agreement shall be construed to be, nor shall be, a waiver of any preceding, concurrent or succeeding breach of the same or any other term or provision of this Agreement.

18. This Agreement is deemed to have been drafted jointly by the parties. Any uncertainty or ambiguity shall not be construed for or against any party based upon attribution of drafting to any party.

19. This Agreement shall be admissible in counterparts. All executed copies are duplicate originals and are equally admissible in evidence.

By: 
CHRISTOPHER JORDAN

Dated: 11/11/20

By: _____
CITY OF LOS ALTOS

Dated: _____

EXHIBIT 1

CITY MANAGER EMPLOYMENT AGREEMENT

This Agreement for Employment of City Manager ("Agreement") is made and entered on this 23rd day of August, 2016, by and between the City of Los Altos ("City"), a California general law municipal corporation, and Christopher A. Jordan ("Jordan").

RECITALS

WHEREAS, the City Council of the City of Los Altos desires to appoint Jordan to the position of City Manager of the City of Los Altos on September 1, 2016.

WHEREAS, it is the desire of the City Council to establish the terms and conditions of employment of Jordan to the position of City Manager of the City of Los Altos, including the duties, salary and benefits of employment; and

WHEREAS, Jordan desires to accept employment as City Manager of the City of Los Altos under the terms set forth herein; and

WHEREAS, as of the date of this Agreement, the Interim Employment Agreement dated April 26, 2016, shall be of no force and effect; and

WHEREAS, the City is best served by a City Manager who establishes and maintains a strong partnership with the City Council and the community, and such a partnership is best achieved by the City Manager's involvement in a broad spectrum of community activities and by having a personal stake and interest in the quality of life shared by those who live in the community; and

WHEREAS, the City Manager is an integral part of the City's Emergency Services Team and the City Council has developed a heightened awareness of the value of having the City Manager available during the critical hours immediately following catastrophic events; and

WHEREAS, the City Council believes, therefore, that it is in the best interest of the community for the City Manager to reside within the geographic boundaries of the City, and recognizing the high cost of housing in the City (as of August 15, 2016, the median home value in the City is \$2,818,700 according to Zillow) determines that it is in the City's best interest to provide assistance in securing such housing; and

WHEREAS, the assistance shall be in the form of a Housing Loan, subject to terms of this Agreement, accessible for the entirety of the Jordan's tenure with the City; and

WHEREAS, the City council finds that above stated reasons for the home loan constitute legitimate "public purposes" for making the loan; and

NOW, THEREFORE, in consideration of the respective and mutual covenants hereinafter contained and made, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, and subject to all the terms and conditions hereof, the parties agree as follows:

SECTION 1. EMPLOYMENT, DUTIES AND RESPONSIBILITIES

A. **Appointment of City Manager.** City does hereby agree to employ Jordan in the capacity of City Manager effective September 1, 2016 ("Effective Date"). Jordan's employment is "at-will" and Jordan serves at the pleasure of the City Council.

B. **Duties.** Jordan shall perform the functions and duties specified under the Government Code of the State of California, the Los Altos Municipal Code, and Ordinances and Resolutions of the City, and to perform such other legally permissible and proper duties and functions as the City Council shall from time to time assign.

C. **Term of Agreement.** This Agreement shall commence upon execution by parties and become effective on the Effective Date (i.e. September 1, 2016) and continue for a period expiring three (3) years after the Effective Date ("Expiration Date"), or until this Agreement is otherwise terminated pursuant its terms.

This Agreement shall automatically renew as provided herein unless City gives Jordan timely notice of non-renewal. The City must give Jordan written notice of non-renewal at least six (6) calendar months prior to the initial Expiration Date (i.e. March 1) and any succeeding Expiration Date. Unless such notice of non-renewal is timely given, this Agreement shall automatically renew on the terms and conditions set forth herein (as such may be amended from time to time) for an additional one (1) year term.

D. **Hours of Work.** Jordan is expected to devote necessary time outside normal office hours to business of the City. To that end, Jordan shall be allowed flexibility in setting his own office hours, provided that Jordan shall work as necessary during customary business hours to satisfactorily perform his City Manager duties and responsibilities and be available to other City staff during customary business hours. This position is exempt from FSLA overtime pay requirements therefore Jordan shall not be entitled to additional compensation for any work performed in excess of the City's regular workweek.

Jordan shall keep the Administration Office Staff aware of his office schedule.

Jordan shall provide reasonable written notice to the City Council when he anticipates an absence from the City for two or more business days.

E. **Exclusive Employment.** The employment provided for by this Agreement shall be Jordan's sole employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to the City and the community, subject to prior approval by the City Council, Jordan may elect to accept limited teaching, consulting or other business opportunities which do not interfere with or create a conflict of interest (or the appearance of a conflict of interest) with the performance of his duties or obligations under this Agreement, or place the City, the City Council or Jordan in an unfavorable light.

SECTION 2. COMPENSATION – SALARY AND BENEFITS

A. Salary.

1. Initial Base Salary. City shall pay Jordan an annual base salary of Two Hundred Twenty Thousand Dollars (\$220,000) ("Base Salary"). Salary shall be paid in bi-weekly installments at the same time as other employees of City are paid. Base salary specifically includes cash benefits of vehicle and cell phone allowances.
2. Changes to Compensation. Should the City Council, upon completion of its annual review of Jordan's performance pursuant to this Agreement, determine that Jordan has met City's performance expectations, the City Council shall consider an increase in Jordan's compensation. Said consideration may include employee performance level, salary survey data and compensation increases granted to other City management employees. Jordan understands and agrees that he has no entitlement to an increase in compensation. City Council will inform Jordan of its decision. Changes to compensation may include adjustment to base salary, bonus or other discretionary benefits.

B. Benefits.

1. CalPERS. Jordan will be enrolled into the California Public Employees Retirement System (CalPERS). As a new member, retirement benefits are pursuant to the California Public Employee's Retirement Reform Act of 2013 (PEPRA) Section 7522.10, employees hired on or after January 1, 2013 will have a retirement formula of 2% @ 62 and will pay up to 50% of the normal CalPERS retirement cost. Employee contribution is currently set at 6.25% and is subject to change based on CalPERS actuarial. CalPERS formula and benefit are subject to change based on future CalPERS law modifications and City policy. The City does not participate in Social Security nor is it currently enrolled for State Disability Insurance.
2. Benefits. Except as otherwise set forth in this Agreement, in addition to the benefits specified herein, Jordan shall be eligible to participate in any and all employee benefits otherwise accorded to City's unrepresented employees, and not covered under a Memorandum of Understanding, including without limitation to participation in health, dental, vision and other supplemental benefits, and those benefits may be subject to change.
3. Vacation. As of the Effective Date, Jordan shall be credited with eighty (80) hours of vacation and with the equivalent of 14 years of continuance service for purpose of setting a vacation accrual schedule, thus providing an effective rate of one hundred sixty (160) hours per year. Jordan shall be entitled to accrue, use or redeem vacation leave in whatever manner is permitted pursuant to City policy, as same may be amended from time to time by action of the City Council.
4. Sick Leave. As of the Effective Date, Jordan shall be credited with forty (40) hours of sick leave and accrue sick leave at a rate of ninety-six (96) hours per year. Jordan shall be entitled to accrue, use or redeem sick leave in whatever manner is permitted pursuant to City policy, as same may be amended from time to time by action of the City Council.

5. Management Leave. As of the Effective Date, Jordan shall be credited with eighty (80) hours of Management Leave and shall thereafter be entitled to accrue Management Leave in the amount of eighty (80) hours per fiscal year. Jordan shall be entitled to accrue, use or redeem Management Leave in whatever manner is permitted pursuant to City policy, as same may be amended from time to time by action of the City Council.

SECTION 3. ADDITIONAL EXPENSES

A. Professional Development, Dues and Subscriptions. City agrees to pay for the professional dues, subscriptions, and other costs of Jordan deemed necessary for his participation in national, state, regional, and local associations and organizations and in meetings, conferences, and training related thereto, including but not limited to the International City/County Management Association, League of California Cities, and County City Managers' Association, which are considered mutually desirable for his continued professional participation and growth and for the good of the City, subject to budgetary approval and City Council oversight.

B. Business Expenses. City shall reimburse Jordan for all necessary and appropriate business expenses, including, but not limited to, the costs of business meetings, business meals, staff functions and special events attended in an official capacity, subject to any guidelines the City Council may impose.

C. Vehicle and Cell Phone Expenses. Notwithstanding Section 2.A, Jordan: (1) is not entitled to allowance or reimbursement of expenses associated with use of his personal vehicle, including no mileage reimbursement; (2) shall have access to pool cars consistent with City policies, else subject to Council approval; (3) is required to have cell phone for business use, however he is not entitled to allowance or reimbursement of expenses associated with use of that cell phone.

SECTION 4. RELOCATION AND HOUSING ALLOWANCE

A. Relocation Assistance. City shall provide up to \$30,000 reimbursement to Jordan for expenses associated with moving, temporary storage of household goods, and up to three (3) months lodging pending his acquisition of permanent housing. Reimbursement will be made upon presentation to City of receipt(s) for reasonable costs.

B. Housing Loan. Should Jordan purchase a residence and property ("Property") within the City of Los Altos no later than August 31, 2017, City agrees to make available to Jordan a housing loan of up to Two Million Dollars (\$2,000,000 ("City Loan") providing that said City Loan shall not exceed ninety percent (90%) of the Property purchase price. City Loan shall be limited to purchase of Property within City limits and shall be Jordan's primary residence. Said loan shall be evidenced by a Promissory Note made by Jordan payable to the City and secured by a First Deed of Trust on the Property. The principal amount of the loan shall bear interest at the 5 Year Treasury Rate as of the Effective Date (i.e. September 1, 2016) amortized over a thirty (30) year period and recalculated to the 5 Year Treasury Rate every five years of the original date of the loan.

Jordan shall pay principal and interest for the loan amount which shall be amortized and payable in equal bi-weekly installments through an automatic payroll deduction with the entire balance due in thirty (30) years.

Jordan shall be responsible to pay all applicable taxes, insurance and homeowners fees and be responsible at his expense to maintain the Property in good and habitable conditions at all times.

The loan may be prepaid earlier without penalty.

The Promissory Note shall be due and payable in full:

(i) within twelve (12) months of Jordan's termination by the City pursuant to Section 6.A.1 herein; or Jordan's death; or the date on which the City delivers notice of non-renewal of this Agreement to Jordan (Section 1.C) or

(ii) within six (6) months of the effective date of Jordan's termination if such termination is the result of Termination by Manager (Section 6.B); or termination with cause (Section 6.A.2); or the date on which the City determines, in its reasonable discretion, that the Property is no longer Jordan's primary residence for any reason other than his death.

SECTION 5. PERFORMANCE REVIEW

The intent of the parties is that there be open and constructive communication between the City Council and City Manager regarding the City Manager's performance and City Council expectations regarding such performance. As such,

A. **Initial Performance Expectations.** Within sixty (60) days of the Effective Date, the City Council will establish performance expectations for Jordan.

B. **Annual Review.** The City Council shall conduct annual reviews of Jordan's performance on or around the anniversary of the Effective Date. The objective of such review shall be to maintain an optimal working relationship and a mutual understanding and agreement on duties, responsibilities, and priorities between Jordan and the City Council. Performance expectations are an integral part of the evaluation and may be updated from time to time throughout the year.

C. **Use of Facilitator.** Either the City Council or Jordan may request the involvement of an outside facilitator in such annual reviews. Jordan will arrange for such services with a mutually agreed upon facilitator in a manner that ensures the completion of the review process by the second regular meeting in September.

SECTION 6. TERMINATION AND SEVERANCE

A. **Termination by City.** The following provisions apply to any termination of Jordan's employment by the City:

1. Jordan is an at-will employee who may be terminated for any or no reason. In the event Jordan is terminated for any reason prior to the expiration of the employment term, or any extension, except as set forth in subsection 6.A.2, City shall pay Jordan a severance payment described herein, provided, however, that such severance payment shall be contingent on Jordan first executing a release and waiver of all rights to sue the City or any city employee or official, which release and waiver shall be drafted by the city attorney. The severance payment that Jordan shall be entitled to shall be as follows:

- (a) If termination occurs within first full year of Effective Date of the Agreement and Jordan is willing and able to perform his duties under this Agreement, City shall provide (i) a lump sum payment equal to six (6) months base salary less reimbursed relocation assistance (Section 4.A), (ii) cashout of any accrued leave balances that are compensable (per City policy) upon termination of employment, and (iii) pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), the City shall reimburse Jordan for COBRA eligible benefits, subject to presentation of receipts, for a six-month period after termination, or until Jordan either secures full-time employment or obtains other health insurance coverage, whichever of these events occurs first. Jordan shall notify City within five (5) days of securing new full-time employment or acquiring health insurance coverage.
- (b) If termination occurs any time after the first full year of the Agreement and Jordan is willing and able to perform his duties under the Agreement, City shall provide (i) a lump sum payment equal to six (6) months base salary, (ii) cashout of any accrued leave balances that are compensable (per City policy) upon termination of employment, and (iii) pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), the City shall reimburse Jordan for COBRA eligible benefits, subject to presentation of receipts, for a six-month period after termination, or until Jordan either secures full-time employment or obtains other health insurance coverage, whichever of these events occurs first. Jordan shall notify City within five (5) days of securing new full-time employment or acquiring health insurance coverage.

In the event that, at the time of termination, Jordan is under investigation by any law enforcement agency for any reason that would meet the definition of a "for cause termination" as defined in Section 6.2, City may withhold all or part of such severance pay until it is determined if charges will be filed, and if charges are filed, until final judgment is rendered.

This Section shall not apply to non-renewal of this Agreement as set forth in Section 1.C.

2. The City may terminate this Agreement immediately for Jordan's willful negligence, dishonesty, fraud or because of his conviction of any felonious act, any other illegal act involving use of Jordan's position for personal gain, any crime involving moral turpitude, or any material breach of this Agreement, which breach is not cured within 30 days after written notice being given of such breach. City shall have no obligation to pay the severance or the other benefits set forth in Section 6.A of this Agreement. Such termination shall herein be referred to as a termination "for cause."

3. Termination of this Agreement shall require three affirmative votes of the City Council at a lawfully called meeting, as provided by the provisions of the Ralph M. Brown Act (California Government Code §54950 et seq.). Effective date of Termination is at the discretion of the City Council. Except for a "for cause" termination pursuant to Section 6.A.2, the City shall take no action to terminate the services of Jordan before the second Tuesday of March immediately following a regular election at which one or more new members are elected to the City Council, thereby allowing new Councilmembers adequate time to assess Jordan's performance.

4. In the event that the City Council formally asks Jordan to resign and he is willing and able to perform his duties under this Agreement and the Los Altos Municipal Code, then Jordan shall be entitled to resign and still receive the severance benefits outlined in section 6.A, provided he agrees to the release and waiver requirements in section 6.A.

B. Termination by Manager. Due to the important nature of Jordan's duties to the City, Jordan shall not terminate this Agreement during the initial three (3) year Term of this Agreement, unless City agrees to such termination in writing. Thereafter, Jordan may terminate this Agreement through a resignation by giving the City notice of his intent to resign and providing an effective date for his resignation that is at least thirty (30) days' after he provides notice of his intent to resign. Jordan and the City agree that the City has discretion to select an effective date for the resignation that is earlier than the effective date stated by Jordan. If Jordan terminates this agreement through a resignation, he is not entitled to receive any severance payment.

SECTION 7. GENERAL PROVISIONS

A. Indemnification. City agrees to defend, hold harmless and indemnify Jordan 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 Jordan's duties. City is not required to indemnify Jordan for any illegal acts committed by Jordan but may agree to do so, in its discretion.

B. Bonding Requirements. City shall bear full cost of the fidelity bond required of Jordan under any law or ordinance in connection with his duties hereunder. This Agreement shall be deemed void and of no effect if Jordan is unable to qualify for any such fidelity bond prior to the Effective Date.

C. Other Terms and Conditions. The Council, in consultation with Jordan shall fix any such other terms and conditions of employment as it may determine from time to time, relating to the performance of Jordan provided such terms and conditions are not inconsistent with or in conflict with the provision of this Agreement or State law.

All provisions of the City Code and regulations and rules of City relating to vacation and sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions pertaining to City Department Heads as they now exist or hereafter may be amended, except as otherwise set forth herein also shall apply to Jordan.

D. **Severability.** If any provision, or portion thereof, contained in the Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed servable and shall remain in full force and effect.

E. **Notices.** Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Mayor and City Council
City of Los Altos
One North San Antonio Road
Los Altos, CA 94022

Christopher A. Jordan, City Manager
City of Los Altos
One North San Antonio Road
Los Altos, CA 94022
(or to Jordan's home address on file)

Notices also may be personally served in the same manner as 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 by the United States Postal Service. Either party hereto may change their respective address of record by providing written notice thereof in accordance with this Section.

F. **General Provisions.** The text herein shall constitute the entire Agreement between the parties.

1. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by the City and Jordan. No waiver of either party at any time of the breach of, or lack of compliance with, any conditions or provisions of this Agreement shall be deemed a waiver of other provisions or conditions hereof.

2. This Agreement contains the entire agreement and understanding between the parties and contains all of the terms and conditions of the parties' agreement and supersedes any other oral or written negotiations, discussions, representations, or agreements; provided, however that the Promissory Note referenced in Section 4.B above, and other security instruments related thereto (including, without limitation, a deed of trust and loan agreement) are hereby incorporated by reference into this Agreement. Jordan acknowledges that he has not relied on any promises, statements, representations, or warranties except as set forth expressly in this Agreement.

3. This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the parties, provided, however, that Jordan may not assign his obligations hereunder.

4. This Agreement shall be governed by and construed in accordance with the laws of the State of California, and venue for any action concerning this Agreement shall be limited to the Superior Court for the County of Santa Clara.

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

6. The parties hereto acknowledge and agree that, although this Agreement has been drafted by City's legal counsel, Jordan has reviewed, or had an opportunity to review, the terms of this Agreement with his legal counsel. Consequently, the doctrine that ambiguities in an agreement should be resolved against the drafting party shall not be employed in connection with this Agreement and this Agreement shall be interpreted in accordance with its fair meaning.

7. Unless provided for otherwise by this Agreement, all provisions of the Los Altos Municipal Code Chapter 2.01 entitled "City Manager," which are applicable to the City Manager shall remain in full force and effect.


8. Required provisions of California Government Code 53243-53243.4 (and as subsequently amended) are hereby agreed to and expressly made a part of this Agreement.

Christopher A. Jordan

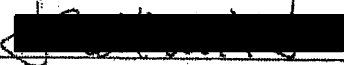

CITY OF LOS ALTOS:


By: Jeannie Bruins, Mayor

ATTEST:


Jon Magnot, City Clerk

APPROVED AS TO FORM:


Jolie Houston, City Attorney

**AMENDMENT NO. 1 TO THE CITY
MANAGER EMPLOYMENT AGREEMENT**

This Amendment No. 1 ("Amendment") to the City Manager Employment Agreement ("Agreement") is entered into as of the 28th day of November 2017, by and between the City of Los Altos, a California general law municipal corporation, hereinafter referred to as "City" and Chris Jordan, hereinafter referred to as "Jordan".

RECITALS

WHEREAS, it is the desire of the City Council to establish the terms and conditions of employment of Jordan to the position of City Manager of the City of Los Altos, including the duties, salary and benefits of employment; and

WHEREAS, on August 23, 2016, City and Jordan entered into an agreement entitled "City Manager Employment Agreement" ("Agreement"); and

WHEREAS, pursuant to Section 2(A)(2), the City desires to amend the Agreement to increase the base salary for Jordan by 3.8% from \$220,000 to \$228,360; and

WHEREAS, Jordan is agreeable to this change in compensation and to continuing employment with the City; and

NOW THEREFORE, in consideration of the respective and mutual covenants hereinafter contained and made, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, and subject to all the terms and conditions hereof, the parties hereby amend the following sections of the Agreement as follows:

1. Section 2(A)(1) is hereby deleted and replaced with the following new section:

Initial Base Salary. City shall pay Jordan an annual base salary of Two Hundred Twenty-Eight Thousand Three Hundred Sixty Dollars (\$228,360) ("Base Salary"). Salary shall be paid in bi-weekly installments at the same time as other employees of City are paid. Base salary specifically includes cash benefits of vehicle and cell phone allowances.

2. All remaining sections and provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed and is made effective as of the date set forth above.

CHRISTOPHER JORDAN



CITY OF LOS ALTOS



By: Mary Prochnow, Mayor

ATTEST:



Jon Maginot, City Clerk

APPROVED AS TO FORM:



Christopher Diaz, City Attorney

**AMENDMENT NO. 2 TO THE CITY
MANAGER EMPLOYMENT AGREEMENT**

This Amendment No. 2 ("Amendment") to the City Manager Employment Agreement ("Agreement") is entered into as of ~~17~~ day of December 2019, by and between the City of Los Altos, a California general law municipal corporation, hereafter referred to as "City" and Chris Jordan, hereafter referred to as "Jordan."

RECITALS

WHEREAS, it is the desire of the City Council to establish the terms and conditions of employment of Jordan to the position of City Manager of the City of Los Altos, including the duties, salary, and benefits of employment; and

WHEREAS, on August 23, 2016, City and Jordan entered into an agreement entitled "City Manager Employment Agreement" ("Agreement"); and

WHEREAS, on November 28, 2017, City and Jordan approved Amendment No. 1 to the City Manager Employment Agreement; and

WHEREAS, in March 2019, the Council appointed an ad hoc committee to negotiate an amended Agreement with Jordan; at or around that time, the Council agreed that the Agreement (and Jordan's appointment as City Manager) would continue and desired to increase Jordan's compensation to account, in part, for cost of living increases and make other appropriate adjustments to the Agreement at the commencement of the current fiscal year;

WHEREAS, the ad hoc committee met in March and received requests from Jordan for continuation of his employment and possible amendments to the Agreement; the intent of the committee was to negotiate an amendment to the Agreement by the commencement of the City's fiscal year in July 1, 2019; due to ongoing discussions and negotiations between Jordan and the committee, as well as the press of City business, Jordan's salary and leave benefits became indefinite as of the commencement of the present fiscal year on July 1, 2019; and

WHEREAS, pursuant to Subsection 2.A.1, the City desires to amend the Agreement to increase the base salary for Jordan by 7.3% from \$228,360 to \$245,095 as of the commencement of this fiscal year; and

WHEREAS, the City desires to amend Subsection 2.B.5 to increase the management leave for Jordan from eighty (80) hours per fiscal year to one hundred twenty (120) hours per fiscal year; and

WHEREAS, the City desires to amend Subsection 4.B to include an interest rate cap of 5% on Jordan's housing loan terms; and

4. Subsection 6.A.1 is hereby deleted and replaced with the following new section:

Jordan is an at-will employee who may be terminated for any or no reason. In the event Jordan is terminated for any reason prior to the expiration of the employment term, or any extension, except as set forth in subsection 6.A.2, City shall provide Jordan with a minimum of thirty (30) days' notice in writing. Further, except as set forth in subsection 6.A.2, City shall pay Jordan a severance payment described herein, provided, however, that such severance payment shall be contingent on Jordan first executing a release and waiver of all rights to sue the City or any city employee or official, which release and waiver shall be drafted by the city attorney. The severance payment that Jordan shall be entitled to shall be as follow:

5. Except as expressly modified by this Amendment, all remaining sections and provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed and is made effective as of the date set forth above.

CHRISTOPHER JORDAN

[Redacted Signature]

CITY OF LOS ALTOS

[Redacted Signature]

By: Jan Pepper, Mayor

ATTEST:

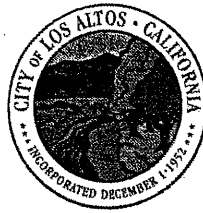
[Redacted Signature]

Dennis Hawkins, City Clerk

APPROVED AS TO FORM:

Christopher Diaz, City Attorney

EXHIBIT 2



1 North San Antonio Road
Los Altos, California 94022-3087

MEMORANDUM

DATE: November __, 2020

TO: Jan Pepper, Mayor
Members, Los Altos City Council

FROM: Chris Jordan, City Manager

SUBJECT: RESIGNATION

I hereby provide my resignation as the City Manager of Los Altos, effective December 5, 2020.

When I was hired, first as the Interim City Manager in April 2016 and then for the permanent position 4 months later, the main goal of the Council and the organization was to enhance the City's investment in its facilities and infrastructure after years of neglect. After 4 years of dedicated work by the community, Council and staff, we are now on the cusp of successfully completing the construction of a new community center that will be the heart of the community. We are also moving forward with numerous other projects that will improve the long-term livability for all Los Altos residents.

The Los Altos community is fortunate to have some of the most dedicated, community-minded individuals I have met during my public service career. People in this community have dedicated their full support to the City over the decades, forming such organizations as the Los Altos Community Foundation and other groups that only have one agenda: making Los Altos the finest community it can be. I thank them for their support of me, my family, and the community.

Finally, throughout these 4+ years, the City staff has taken on numerous challenges with a positive, can-do attitude. Even during the pandemic, our staff has tackled each project with the objective of making sure that residents and businesses are given every opportunity to thrive in this beautiful community. I have an infinite amount of respect for our staff and pride in my role in leading such an outstanding group of public servants. I thank them for their dedication and support.