

CITY OF CHULA VISTA
CITY MANAGER EMPLOYMENT AGREEMENT

1. **Employment:**

This City Manager Employment Agreement (Agreement) is entered into by and between the City of Chula Vista (City) and Gary Halbert (Manager). Under this Agreement, the City offers, and Manager accepts, employment as City Manager of the City of Chula Vista.

2. **Duties:**

Manager shall perform those duties and have those responsibilities that are commonly assigned to a city manager of a city in California, and as may be further set forth in the City's Charter or Municipal Code. Manager shall perform such other legally permissible and proper duties and functions consistent with the office of City Manager, as the City Council shall from time to time assign.

3. **Devotion to City Business:**

Manager's position is full-time. Manager shall not engage in any business, educational, professional, charitable, or other activities that would conflict or materially interfere with performance of his/her City Manager duties, except as may be specifically authorized by the City Council.

4. **Term and 2015 Reopener:**

A. Manager's employment will commence June 27, 2014, and shall continue until December 31, 2015, or the date of earlier termination in accordance with provisions in this Agreement. On December 31, 2015, and on each succeeding December 31st while this Agreement is in effect, this Agreement shall be automatically extended for one (1) additional year unless prior to that date the City Council notifies Manager of its intent not to extend the Agreement for one additional year.

B. Notwithstanding paragraph A, the City or the Manager may reopen this Agreement and re-negotiate any and all terms of this Agreement by providing written notice of such request on or before July 1, 2015. The negotiations shall begin on July 15, 2015 or another mutually agreed upon date.

C. On October 1, 2015, the City may give notice that it will not extend the initial term of the Manager's Agreement. At this time, the City may elect to (1) terminate Manager's employment immediately, as of October 1st, in which case Manager shall receive nine (9) months of severance, as provided for in Section 6(A)(1); or (2) may continue the Manager's employment until December 31, 2015. In this event, the Manager's severance shall be decreased by the period the Manager chooses to be employed between October 1, 2015 and December 31, 2015. For example, if the

Manager were employed from October 1, 2015 until December 1, 2015 (two months), but chooses to leave December 1st, he would get seven (7) months of severance, having been employed two months after October 1, 2015. If the City does not provide notice that it will not extend his contract by October 1, 2015, then the Manager's contract shall be extended as set forth in paragraph A.

5. **City Council Commitments:**

A. Except for the purpose of inquiry, the City Council and its members shall deal with all subordinate City employees, officers, contractors, and consultants solely through the Manager or the Manager's designee, and neither the City Council nor any member thereof shall give direction to any subordinate of the Manager, either publicly or privately.

B. No member of the City Council will order the appointment or removal of any person to any office or employment under the supervision and control of the Manager.

C. Neither the City Council nor any of its members shall interfere with the execution of the powers and duties of the Manager, as specified in the City Charter, the Municipal Code, this Agreement, or any other lawfully adopted and authorized document.

D. The Manager agrees that informal inquiry, but not direction, by City Council members of City Staff on issues of concern to City Council members, as has been the practice of the prior City Manager, does not violate Paragraph A of this section.

6. **Termination of Employment and this Agreement; General Release; Severance:**

A. Subject to the terms of this Paragraph, the City has the right to terminate this Agreement without cause any time. If City terminates this Agreement (thereby terminating Manager's employment) without cause, as determined by the affirmative votes of a majority of the members of the City Council, and if Manager signs, delivers to the City Council, and does not revoke, the General Release Agreement ("Release Agreement") in the form attached hereto as Exhibit A, City shall:

1. Pay the Manager severance as follows:

The City shall pay the City Manager a lump sum benefit equal to nine (9) months of his/her then Base Salary, and shall provide nine (9) months of health (medical, dental, and vision) benefits continuing under the benefit plans in which Manager and his dependents are then enrolled (the cash payment and continuing benefits, collectively "Severance").

2. Pay the Manager for his accumulated Annual Leave, but not his unused Management Leave, unused Hard Holidays, or unused Floating Holidays. The Manager shall not be paid out his unused Sick Leave, but may convert his accumulated Sick Leave to CalPERS service credit, as permitted by CalPERS
3. Pay any pending reimbursement requests, if properly payable.

The Manager shall not receive any other payments not specified in this section, including any further deposits into the Manager's 401A Plan set forth in Section 8.

B. If City terminates this Agreement (thereby terminating Manager's employment) with Cause, as determined by the affirmative votes of a majority of the member of the City Council, Manager shall not be entitled to any additional compensation or payment, including Severance, but shall be entitled only to accrued Base Salary and vacation pay, and any other accrued and unused benefit allowances according to their terms ("Accrued Salary and Benefits"). As used in this Agreement, Cause shall only mean any of the following:

1. Conduct involving or conviction of, or plea of guilty or nolo contendere (or no contest) to, any crime or offense (other than minor traffic violations or similar offenses) which is likely to have a material adverse impact on the City or on the Manager's reputation.
2. Proven failure of the Manager to observe or perform any of his duties and obligations, if that failure continues for a period of thirty (30) business days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure;
3. Conduct involving or conviction of, or plea of guilty or nolo contendere, any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4;
4. 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; if such a failure is capable of cure, Manager shall have thirty (30) business days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure to cure such failure; and
5. Any negligent action or inaction by Manager that materially and adversely: (a) impedes or disrupts the operations of the City or its organizational units; (b) is detrimental to employees or public safety; or (c) violates City's properly established rules or procedures; if such failure is capable of cure, Manager shall have thirty (30) business days from the date of his receipt of notice from the City Council specifying the negligent action or inaction deemed to amount to that failure to cure such failure.
6. Violation of the City's EEO/Sexual Harassment Policies, Workplace Violence Policies, and Substance Abuse Policies.
7. Failure to comply with the terms of this Agreement; if such failure is capable of cure, Manager shall have thirty (30) business days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure to cure such failure.

C. If, during the term or any extended Term, Manager dies, Manager's estate shall receive Accrued Salary and Benefits, but shall not be entitled to any additional compensation or payment, including Severance.

D. In the event Manager is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, or mental incapacity for a period of three consecutive months beyond any provided sick leave, the City may terminate Manager's employment and this Agreement.

E. Manager may resign from his employment at any time, upon giving forty-five (45) days written notice to the City Council. A resignation shall not entitle Manager to Severance as set forth in Section 6.

7. Compensation and Annual Evaluation:

A. Manager's initial annual Base Salary shall be Two Hundred Thirty Two Thousand Six Hundred and Nineteen Dollars (\$232,619.00). Said amount shall be payable in bi-weekly installments at the same time and in the same manner as other employees of the City are paid.

B. City, by the City Council, and Manager may set mutually-agreed-upon objectives for each year under this Agreement. The City Council shall evaluate Manager's performance at least once a year during the months of November or December ("Annual Evaluation") or as otherwise determined to be necessary by City Council.

C. Manager shall be entitled to receive cost-of-living adjustments or any similar across-the-board increases that the City Council determines, in its discretion, to approve for all City Executives. In addition, the City Council may increase the Manager's Base Salary at any time in the sole discretion of the City Council.

D. Manager's Base Salary increases approved by the City Council from time to time pursuant to this Agreement shall not require an amendment to this Agreement to be effective. Such may be set forth in an annual salary resolution or minute action approved by the City Council and ratified by resolution.

E. The Manager shall be subject to reductions in Base Salary or other financial benefits in the event similar across-the-board reductions are imposed by the City Council in its discretion with respect to all City Executives. If the City reduces the Base Salary or any other financial benefit of the Manager in a percentage that is greater than the average reduction of all City Executives, the City Manager may deem such action a termination of this Agreement without Cause under Section 6(A) of this Agreement, and Manager shall be entitled to Severance under Section 6(A).

8. Deferred Compensation:

As part of Manager's annual compensation, City agrees to provide a Section 457 deferred compensation program which will be administered by Nationwide or any other City approved vendor chosen by the City. Manager may participate in this program at Manager's sole discretion. In addition, Manager shall participate in the City's 401A plan and the City shall pay into such program for Manager's benefit, each calendar year, in the amount of \$35,000. Payments towards the \$35,000 amount shall be made in equal

amounts and on a bi-weekly basis. Manager will bear any and all tax consequences of said deposits.

9. **Pension:**

City agrees to continue to enroll Manager as a "Classic Member" of the Public Employees Retirement System (PERS) in the PERS plan in which the Manager is currently enrolled.

10. **Health and Medical Benefits Insurance:**

As is provided to other City Executives, City shall provide Manager a Cafeteria Plan for medical benefit (medical/dental/vision) as set forth in City Resolution 2013-156. City Council, in its discretion, may amend the Cafeteria Plan (including annual amount used to purchase benefits).

11. **Life Insurance:**

As is provided to other City Executives, the City shall pay the premiums for \$50,000 basic group term life & accidental death and dismemberment insurance policy. Manager may purchase, as other City Executives may purchase, additional coverage at his own expense.

12. **Equipment:**

A. As is provided to other City Executives, the Manager shall receive a stipend, in the amount of \$720 per fiscal year as a cellular phone telephone allowance. The stipend shall be paid in equal amounts and on a bi-weekly basis.

B. City shall pay for the purchase, installation and maintenance of compatible computer equipment (hardware, software and internet access) for Manager at his residence, primarily for his use in conducting City business; provided, however that it is expressly understood that the equipment may be subject to incidental personal use by Manager so long as it does not interfere with the equipment's primary business use.

13. **Business and Professional Expenses:**

A. City recognizes that Manager may incur expenses of a non-personal, job-related nature that are reasonable necessary to Manager's service to City. City agrees to either pay such expenses in advance or to reimburse the expenses, so long as the expenses incurred and submitted according to City's normal expense reimbursement procedures or such other procedure as may be designated by the City Council. To be eligible for reimbursement, all expenses must be supported by documentation meeting City's normal requirements and must be submitted within time limits established by City.

B. City agrees to pay the professional dues and subscriptions on behalf of Manager which are necessary for Manager's continuation or full participation in international, national, regional, state, or local associations and organizations necessary

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

C. City agrees to pay Manager's travel and subsistence expenses for official travel, meetings, and occasions reasonably necessary to continue Manager's professional development, and for Manager's reasonable participation in necessary official and other functions for the City; including, but not limited to, national, regional, state, and local conferences, and governmental groups and committees on which Manager serves as a member. Notwithstanding the above, the number of conferences or Meetings City will pay for each year, and attendance at out-of-state conferences and meetings, shall be at the discretion of the City Council as set forth in the City's budget.

14. **Annual Leave, Management Leave, Sick Leave and Holidays:**

A. As is provided to other City Executives, the Manager shall receive leave as follows

- i. Annual Leave. The Manager shall receive 200 hours of Annual Leave per fiscal year, distributed on a bi-weekly basis. Annual leave may be accumulated up to 600 hours per fiscal year. Up to 80 hours of Annual Leave per fiscal year may be cashed out.
- ii. Management Leave. The Manager shall receive 96 hours of Management Leave per fiscal year. The Management Leave shall be credited at the start of each fiscal year. Management Leave must be used within the fiscal year it is accrued or forfeited.
- iii. Sick Leave. The Manager shall receive Sick Leave as provided for in the Civil Service Rules, currently 96 hours per fiscal year and distributed on a bi-weekly basis. At retirement, accumulated Sick Leave may be converted to service credit as authorized by Calipers. Sick Leave may be cashed out in accordance with City Policy.
- iv. Holidays. The Manager shall receive ten (10) Hard Holidays. The Manager shall also receive 24 hours of Floating Holiday time. The Floating Holiday time must be used within the fiscal year it is accrued or forfeited.

B. The above leave and holiday benefits mirror those provided to other City Executives in the City. The City, in its discretion, may amend the above leave and holiday benefits to mirror changes made to leave and holiday benefits for City Executives.

15. **Investigations:**

The City reserves the right to investigate and/or discipline the Manager, in the City's sole discretion, for any act of misconduct and/or poor performance. The City may

place Manager on paid or unpaid administrative leave during the investigation as it deems appropriate. The Manager may deem placement of administrative leave for more than 90 days as a termination without cause, unless the City at any time provides notice that it intends to or is considering a termination for cause or terminates the Manager for cause. The City Manager is an "at will" position and this section does not create any rights for Manager.

16. Abuse of Office or Position:

If Manager is convicted of a crime (including guilty or no contest plea) involving an abuse of his office or position, any felony, crime of moral turpitude, or which requires forfeiture of office, all of the following shall apply: (a) if Manager is provided with administrative leave pay pending an investigation, Manager shall be required to fully reimburse City such amounts paid; (b) if City pays for the criminal legal defense of Manager (which would be in its sole discretion, as it is generally not obligated to pay for a criminal defense), Manager shall be required to fully reimburse City such amounts paid; and (c) if this Agreement is terminated, any Severance Pay and Severance Benefits related to the termination that Manager may receive from City shall be fully reimbursed to City or shall be void if not yet paid to Manager. For purposes of this Section, abuse of office or position means either: (x) an abuse of public authority, including waste, fraud, bribery, or violation of the law under color of authority; or (y) a crime against public justice.

17. Communications Upon Manager's Separation:

In the event the City terminates the Manager for any reason or no reason, the City and the Manager agree to the following:

A. Confidentiality. Manager agrees that, to the extent permitted by law, all matters relative to any separation agreement, including the attached General Release Agreement, shall remain confidential. Accordingly, Manager agrees that, with the exception of his immediate family, legal counsel and tax advisors, he shall not discuss, disclose or reveal to any other persons, entities or organizations, whether within or outside of the City, the terms and conditions of any separation agreement, including General Release Agreement. Manager and his agents and legal counsel shall not issue a press release or contact the press regarding any separation agreement, including General Release Agreement, or their terms. If Manager is contacted by the press and questioned regarding any separation agreement, including General Release Agreement, he is permitted to respond and say he has entered into an agreement with the City and has agreed not to discuss the terms of any Agreement, including General Release Agreement, or any of the negotiations concerning the Agreement. The City Council agrees that, to the extent permitted by law, all matters relative to any separation agreement, including the General Release Agreement, shall remain confidential. In the event that a Public Records Act request is made for any separation agreement, including General Release Agreement, the City shall immediately notify Manager. Manager and City acknowledge that the General Release Agreement or any other separation agreement shall be disclosed

in accordance with applicable law. If the City is contacted by the press regarding any separation agreement, including General Release Agreement, the City is permitted to indicate that it has entered into an agreement with Manager, shall confirm the consideration paid and, if applicable, may indicate that it entered into the settlement to avoid the legal fees and costs that it might have incurred to defend a lawsuit, and that this is not in any way an admission of liability on part of the City.

B. Non-Disparagement. Manager agrees he will not make any defamatory or derogatory statements, written or verbal, regarding the City or any of its present or former elected officials, appointed officials, officers or employees to anyone.

C. Reference Requests. Any reference request concerning Manager will be referred to the Human Resources Director. The only information that will be provided in response to such a request will be Manager's date of employment, his title, confirmation of his rate of pay, and a statement that it is the City's policy to only provide that information.

18. **Indemnification:**

- A. Pursuant to Government Code section 995, the City shall defend, hold harmless, and indemnify Manager using legal counsel of City's choosing, against expense or legal liability in a civil action or proceeding for acts or omissions by Manager occurring within the course and scope of Manager's employment under this Agreement.
- B. Notwithstanding Paragraph A, pursuant to Government Code sections 995.2, 995.4, 995.6, 995.8, and/or 995.9, the City, in its sole discretion, may refuse to defend, hold harmless, and/or indemnify Manager.
- C. If the City elects to defend and provides legal representation, legal representation, provided by City for City Manager, shall extend until a final determination of the issues including any and all losses, damages, judgments, interest, settlements, fines, court costs, and the reasonable costs and expenses of legal proceedings, including appeals, and including attorneys' fees, and expert witness fees and all other trial and appellate costs, and other liabilities incurred, imposed upon, or suffered by Manager in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened. In the event there is a conflict of interest between City and Manager such that independent counsel is required for Manager, Manager may engage his own legal counsel, in which event City shall indemnify Manager, including direct payment of all such reasonable costs related thereto.
- D. This section shall not be construed to provide Manager greater rights to defense, hold harmless, and/or indemnification than provided by statute nor to reduce the City's right to refuse to provide said defense, hold harmless, and/or indemnification.

19. **Notices:**

Any notices to be given hereunder by either party to the other in writing may be effected either by personal delivery, mail, or email. Mailed notices shall be addressed to

the parties as set forth below, but each party may change his/hers/its address by written notice given in accordance with this Section. Notices delivered personally or by email will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated and received as of three (3) calendar days following date of mailing.

CITY: City of Chula Vista
Attention: Mayor
Copy to: City Attorney
276 Fourth Avenue
Chula Vista, CA 91910

MANAGER: City Manager
276 Fourth Avenue
Chula Vista, CA 91910

20. **Conflict With City Charter or Municipal Code:**

The City personnel ordinances, resolution, rules and policies shall apply to Manager in the same manner as applied to other management employees. In the event of a conflict between the provisions of this Agreement and the City Charter, or this Agreement and the Municipal Code, the City Charter or the Municipal Code shall prevail over this Agreement.

21. **Entire Agreement:**

This Agreement represents the entire agreement between the parties and supersedes any all-other agreements, either oral or in writing, between the parties with respect to the employment of Manager by City, and contains all of the covenants and agreements between the parties with respect to that employment. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements oral or otherwise, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein, and that no other employment agreement, statement, or promise not contained in this Agreement shall be valid or binding upon either party.

22. **Modifications:**

Any modifications to this Agreement shall be effective only if in writing and signed by both of the parties hereto.

23. **Effect of Waiver:**

The failure of either party to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment or any right or power at any one time or times be deemed a waiver or relinquishment of that right of power for all or any other times.

24. **Partial Invalidity:**

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

25. **Governing Law and Venue:**

Agreement shall be governed by and construed in accordance with the laws of the State of California. Any action arising under or relating to this Agreement shall be brought only in the federal or state courts located in San Diego County, State of California, and if applicable, the City of Chula Vista, or as close thereto as possible. Venue for this Agreement, and performance under it, shall be the City of Chula Vista.

26. **Claims Requirement:**

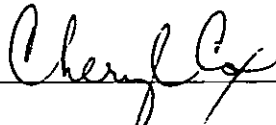
No suit or arbitration shall be brought arising out of this Agreement, against City unless a claim has first been presented in writing and filed with City and acted upon by City in accordance with the procedures set forth in Chapter 1.34 of the Chula Vista Municipal Code, as same may from time to time be amended, the provisions of which are incorporated by this reference as if fully set forth herein, and such policies and procedures used by City in the implementation of same. Upon request by City, Manager shall meet and confer in good faith with City for the purpose of resolving any dispute over the terms of this Agreement.

(Signature Page to follow.)


**SIGNATURE PAGE TO
CITY OF CHULA VISTA
CITY MANAGER EMPLOYMENT AGREEMENT**

IN WITNESS WHEREOF, City and Manager have executed this Agreement, indicating that they have read and understood same, and indicate their full and complete consent to its terms:

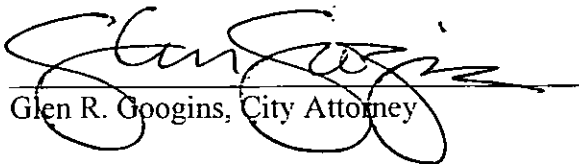
For the City of Chula Vista:

By: 
Mayor, City of Chula Vista

Attest:


Donna Norris, City Clerk

Approved as to form:


Glen R. Googins, City Attorney

For Mr. Gary Halbert:

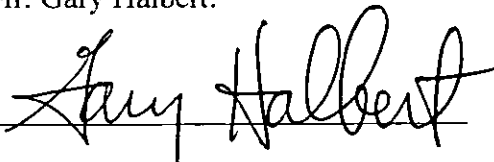
By: 
Gary Halbert

Exhibit List to Agreement: Exhibit A

EXHIBIT A

GENERAL RELEASE AGREEMENT

This General Release Agreement ("Release Agreement") is entered into by and between Gary Halbert ("Manager") and CITY OF CHULA VISTA ("City") (Collectively the "Parties"), in light of the following facts:

- A. Manager's employment with City concluded on _____.
- B. Certain disputes have arisen between City and Manager.
- C. City and Manager each deny any liability whatsoever to the other.
- D. City and Manager wish to full and finally resolve any and all disputes they may have with each other.
- E. Manager is hereby informed that he has twenty-one (21) days from receipt of this Agreement to consider it. City hereby advises Manager to consult with his/her legal counsel before signing this Agreement.
- F. Manager acknowledges that for a period of seven (7) days following the signing of this Agreement represents all compensation, including salary, accrued benefit balances and reimburse expenses, due and payable to him/her through the date of employment termination. Manager also acknowledges that City has made this Salary Payment without regard to whether he/she signs this Agreement. The Salary Payment does not constitute consideration for this Agreement.
- G. Manager acknowledges that the Salary Payment referenced in paragraph 1 of this Agreement represents all compensation, including salary, accrued benefit balances and reimbursed expenses, due and payable to him/her through the date of employment termination. Manager also acknowledges that City has made this Salary Payment without regard to whether he/she signs this Agreement. The Salary Payment does not constitute consideration for this Agreement.

The City and Manager agree to incorporate the above facts into this Release Agreement and, for valuable consideration, hereby agree as follows:

1. Receipt of Salary Payment. Manager hereby acknowledges receipt of a check or checks for all compensation owing to him/her, including salary accrued benefit balances and reimbursed expenses ("Salary Payment") from City.
2. Severance. Within five (5) days following Manager's signing, delivering to the City, and not revoking this Agreement, City shall pay Manager the gross amount provided for in Section 6(A) of the attached Employment Agreement, less applicable

deductions. Manager acknowledges that the Severance is in excess of all amounts due and owing him as a result of his employment by City.

3. General Release of all Claims Except ADEA Claims. In consideration of the Severance to be paid and provided to Manager, and other good and valuable consideration, Manager hereby releases and discharges City and its past and present City Council Members, employees, representatives and agents, from all rights, claims, causes of action, and damages, both known and unknown, in law or in equity, concerning and/or arising out of his/her employment by City which he/she now has, or ever had, including but not limited to any rights, claims, causes of action or damages arising under Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Employee Retirement Income Security Act, the Family and Medical Leave Act of 1993, the Domestic Partners Act of 2003, the California Labor Code, the Private Attorneys General Act of 2004, the California Moore-Brown-Roberti Family Rights Act, the California Unruh Civil Rights Act, the California Fair Employment and Housing Act, any other federal, state, or local employment practice legislation, or any federal or state common law, including wrongful discharge, breach of express or implied contract, or breach of public policy.

Manager hereby waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California. Manager understands and acknowledges the significance and consequences of this specific waiver of Section 1542. Section 1542 of the Civil Code of California states as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of City and its past and present City Council Members, employees, representatives, and agents, Manager expressly acknowledges that this General Release is intended to include in its effect, without limitation, all claims which he/she does not know or suspect to exist in his/her favor.

Manager further acknowledges that he/she has read this General Release and that he/she understands that this is a general release, and that he/she intends to be legally bound by the same.

4. Release of All ADEA Claims. The Parties further agree as follows:

A. This section of the Waiver exclusively addresses Manager's release of claims arising under federal law involving discrimination on the basis of age in employment (age forty and above). This section is provided separately, in compliance with federal law, including but not limited to the Older Worker's Benefit Protection Act of 1990, to ensure that Manager clearly understands his rights so that any release of age discrimination

claims under federal law (the Age Discrimination in Employment Act of 1967, as stated in 29 U.S.C. §§621-634, ("ADEA")) is knowing and voluntary on the part of Manager.

B. Manager represents, acknowledges, and agrees that the City has advised him, in writing, to discuss this Agreement with an attorney, and to the extent if any, that Manager has desired, Manager has done so; that the City has given Manager twenty-one (21) days from receipt of this Release Agreement to review and consider this Release Agreement before signing it, and Manager understands that he may use as much of this twenty-one (21) day period as he wishes prior to signing it; and that no promise, representation, warranty, or agreements not contained herein have been made by or with anyone to cause him to sign this Release Agreement; that he has read this Release Agreement in its entirety, and fully understands and is aware of its meaning, intent, content, and legal effect; and that he is executing this release voluntarily and free of any duress or coercion. The twenty-one (21) day review period runs from the date of the City's final offer to Manager. If Manager executes this Release Agreement prior to the conclusion of the twenty-one (21) day review period, Manager represents, acknowledges, and agrees that his execution of the Release Agreement during the shortened time period is his choice and is not compelled by the City.

C. The parties acknowledge that for a period of seven (7) days following the execution of this Release Agreement, Manager may revoke the Release Agreement, and the Release Agreement shall not become effective or enforceable until the revocation period has expired. This Release Agreement shall become effective eight (8) days after Manager and the City have signed it, and in the event the parties do not sign on the same date, then this Release Agreement shall become effective eight (8) days after the date it is signed by Manager.

D. In consideration of the Severance to be paid and provided to Manager, and other good and valuable consideration, Manager does hereby unconditionally, irrevocably, and absolutely release and discharge the City of Chula Vista, its elected officials, officers, employees, agents, and attorneys from any and all loss, liability, claims, demands, causes of action or suits of any type arising under ADEA and related directly or indirectly to Manager's employment with the City, termination of said employment, and/or subsequent resignation from employment.

5. No Further Action. Manager represents and warrants that he will withdraw, abandon, and not pursue or prosecute nor allow to be prosecuted on his behalf any complaints, charges, grievances or lawsuits against City and its elected officials, officers, employees, agents and attorneys he has filed or lodged with any governmental agency or court arising out of his employment with, termination from, and/or subsequent resignation from City. Further, Manager represents and warrants that he will not file or pursue or allow to be prosecuted on his behalf at any time hereinafter any complaints, charges, grievances or lawsuits against City and its elected officials, officers, employees, agents and attorneys with any governmental agency or court arising out of his employment with, termination from, and/or subsequent resignation from City; provided, however that the parties shall not be limited from pursuing claims for the sole purpose of

enforcing their rights under this Agreement. Further, Manager agrees that under this Agreement, he waives any claim for damages incurred at any time after the date of this Agreement because of alleged continuing effects of any alleged unlawful acts or omissions involving Manager's employment with, termination from, and/or subsequent resignation from City and any right to sue for injunctive relief against the alleged continuing effects of alleged acts or omissions.

6. Complete Defense. This Release Agreement may be pleaded as a full and complete defense against any action, suit, or proceeding, which may be prosecuted, instituted, or attempted by either party in breach thereof.

7. Severability. If any provision of this Release Agreement, or part thereof, is held invalid, void, or voidable as against public policy or otherwise, the invalidity shall not affect other provisions, or parts thereof, which may be given effect without the invalid provisions or part. To this extent, the provisions, and parts thereof, of this Agreement are declared to be severable.

8. No Admission of Liability. It is understood that this Release Agreement is not an admission of any liability by the City, including its elected officials, officers, employees, agents, or attorneys, but is in compromise of any and all disputed claims.

9. Successors and Assigns. This Release Agreement shall be binding upon and inure to the benefits of the parties hereto and their respective heirs, legal representatives, successors, and assigns.

10. Communications Upon Separation. The City and Manager agree to the following:

A. Confidentiality. Manager agrees that, to the extent permitted by law, all matters relative to any separation agreement, including this General Release Agreement, shall remain confidential. Accordingly, Manager agrees that, with the exception of his immediate family, legal counsel and tax advisors, he shall not discuss, disclose or reveal to any other persons, entities or organizations, whether within or outside of the City, the terms and conditions of any separation agreement, including this General Release Agreement. Manager and his agents and legal counsel shall not issue a press release or contact the press regarding any separation agreement, including this General Release Agreement, or their terms. If Manager is contacted by the press and questioned regarding any separation agreement, including this General Release Agreement, he is permitted to respond and say he has entered into an agreement with the City and has agreed not to discuss the terms of the agreement (including this General Release Agreement) or any of the negotiations concerning the agreement (including General Release Agreement). The City Council agrees that, to the extent permitted by law, all matters relative to any separation agreement, including this General Release Agreement, shall remain confidential. In the event that a public records act request is made for any separation agreement, including this General Release Agreement, the City shall immediately notify Manager. The City and Manager acknowledge that this General Release Agreement or

any separation agreement shall be disclosed in accordance with applicable law. If the City is contacted by the press regarding any separation agreement, including this General Release Agreement, the City is permitted to indicate that it has entered into an agreement with Manager, shall confirm the consideration paid and, if applicable, may indicate that it entered into the settlement to avoid the legal fees and costs that it might have incurred to defend a lawsuit, and that this is not in any way an admission of liability on the part of the City.

B. Non-Disparagement. Manager agrees he will not make any defamatory or derogatory statements, written or verbal, regarding the City or any of its present or former elected officials, appointed officials, officers or employees to anyone.

C. Reference Requests. Any reference request concerning Manager will be referred to the Human Resources Director. The only information that will be provided in response to such a request will be Manager's date of employment, his title, confirmation of his rate of pay and a statement that it is the City's policy to only provide that information.

BY HIS SIGNATURE BELOW, MANAGER REPRESENTS THAT HE HAS CAREFULLY READ THIS RELEASE AGREEMENT AND KNOWS ITS CONTENTS AND FULLY UNDERSTANDS IT; THAT HE HAS HAD THE OPPORTUNITY TO HAVE IT FULLY EXPLAINED TO HIM BY AN ATTORNEY OF HIS CHOICE AND HAS EITHER DISCUSSED THIS RELEASE AGREEMENT WITH AN ATTORNEY OR HAS VOLUNTARILY CHOSEN TO SIGN IT WITHOUT CONSULTING AN ATTORNEY; THAT HE FULLY UNDERSTANDS ITS FINAL AND BINDING EFFECT; THAT THE ONLY PROMISES MADE TO HIM TO SIGN THIS AGREEMENT ARE THOSE STATED ABOVE; AND THAT HE IS SIGNING IT VOLUNTARILY. MANAGER HAS BEEN GIVEN AT LEAST 21 DAYS TO CONSIDER THIS RELEASE AGREEMENT AND UNDERSTANDS THAT AFTER IT IS SIGNED, HE MAY REVOKE THIS RELEASE AGREEMENT BY DELIVERING A WRITTEN NOTICE OF REVOCATION TO THE DIRECTOR OF HUMAN SERVICES, 276 FOURTH AVENUE, HUMAN RESOURCES DEPARTMENT, BUILDING 300, CHULA VISTA, CA 91910, NO LATER THAN SEVEN DAYS AFTER HE EXECUTES THIS RELEASE AGREEMENT, AND THAT THIS RELEASE AGREEMENT DOES NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL AFTER THE SEVEN DAY PERIOD HAS EXPIRED.

(Signature Page to follow.)

SIGNATURE PAGE TO GENERAL RELEASE AGREEMENT

IN WITNESS WHEREOF, City and Manager have executed this General Release Agreement("Release Agreement"), indicating that they have read and understood same, and indicate their full and complete consent to its terms:

For the City of Chula Vista:

By: _____

Mayor, City of Chula Vista

Attest:

Donna Norris, City Clerk

Approved as to form:

Glen R. Googins, City Attorney

For Mr. Gary Halbert:

By: _____

Gary Halbert