

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made by and between the RANCHO ADOBE FIRE PROTECTION DISTRICT ("District") and JEFFERY VELIQUETTE ("Fire Chief" or “Party”).

RECITALS

A. The District desires to employ the Fire Chief in order to benefit from the Fire Chief's experience, skills, abilities, background and knowledge, and is willing to engage Fire Chief's services on the terms and conditions set forth in this Agreement.

B. Fire Chief desires to be in the employ of the District, and is willing to accept such employment on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing and the mutual promises set forth in this agreement, the Parties agree as follows:

1. Employment

1.1 Full Understanding and Agreement. This Agreement will serve to memorialize the full understanding of the Parties regarding Fire Chief's terms and conditions of employment with the District. No modification or amendment of any of the provisions of this Agreement shall be effective unless approved in writing and signed by both Parties.

1.2 At Will Employment. The Fire Chief is an at will employee who serves at the pleasure of the Board and does not have a property interest in continued employment.

1.3 Term. Fire Chief's employment with the District shall not be for a specified term. Fire Chief's employment with the District is subject to the provisions of California Government Code Section 3254(c). In this regard, it is understood that Fire Chief's employment with the District may be terminated by the District for reasons, and in the procedural manner, provided by this Agreement and State law.

If, however, the District terminates Fire Chief's employment for any reason other than that specified in section 5.3 below, the District shall pay to Fire Chief Termination Benefits (as set forth in section 5.2 below).

1.4 Eligibility for Employment. For purposes of complying with federal law, Fire Chief shall be required to provide documentary evidence of his identity and eligibility for employment in the United States. Such documentation must be provided to the District within three (3) business days after the Effective Date of this Agreement.

1.4.1 Valid Driver's License. Fire Chief shall at all times maintain a valid Class-C California Driver's License. If at any time Fire Chief's Class-C California Driver's License has been suspended or revoked, for any reason, Fire Chief must notify the Board in writing within five (5) business days of the suspension or revocation, or as soon as Fire Chief is aware of the suspension or revocation, whichever is sooner.

1.5 Full-Time Best Efforts. The position of fire chief is a full-time, exempt position. This means that Fire Chief is expected to devote his full professional time and attention to the performance of his obligations under this Agreement, and shall at all times faithfully, industriously and to the best of his ability, experience and talent, perform all of his duties and responsibilities as fire chief of the District. However, the District and Fire Chief understand and acknowledge that, as an exempt employee, Fire Chief's working hours may vary, and that Fire Chief has discretion with respect to those hours so long as the position's duties are being fulfilled. The Parties further understand that the term "exempt" as used here means exempt from overtime compensation as defined in Section 2.3 below.

2. Compensation

2.1 Base Salary. Fire Chief's annual base salary ("Base Salary") shall be \$185,016, less payroll deductions and all required withholdings, payable in regular, equal periodic payments in accordance with the District's current payroll policy. The Base Salary shall be prorated for any partial year of employment on the basis of a 365-day year.

2.2 Changes to Compensation. Fire Chief's Base Salary shall be reviewed annually and is subject to change. Notwithstanding the foregoing, Fire Chief's Base Salary shall not be reduced unless: (1) such reduction is implemented as a response to a decrease in revenues to the District and is consistent with an overall plan to mediate the loss; or (2) the Parties mutually agree to such reduction,

which reduction is confirmed in writing as an amendment to this Agreement pursuant to Section 1.1.

2.3 Overtime Compensation. As a full-time, exempt employee, Fire Chief is not eligible for overtime compensation. Fire Chief will be paid a regular, periodic salary in equal amounts regardless of quantity of hours worked.

2.4 Reimbursed Pay. As a full-time, exempt employee, Fire Chief does not receive overtime pay. However, on those occasions when the District is reimbursed by a third party for Fire Chief's time spent on a strike team or other major incident assignment, whenever remuneration includes pay for extra hours, Fire Chief shall be paid an amount equal to the reimbursement received by the District for such extra hours.

3. **Benefits.**

3.1 Vehicle. The District shall provide Fire Chief with a District-owned and maintained vehicle equipped for emergency response for Fire Chief's use while conducting District business. Fire Chief may use the District vehicle for incidental personal use. District shall also reimburse Fire Chief for any use of his personal vehicle when it is used for District business. Reimbursement shall be for mileage only at the current IRS mileage rates.

3.2 Vacation. Fire Chief shall receive vacation leave based upon his completed years of service at the District, and in accordance with the District's vacation policy. Vacation for the Fire Chief is as follows:

Less than one year's service	120 hours accrued upon hire
One to five years' service	144 hours annually
Five to ten years' service	216 hours annually
Over fifteen years' service	264 hours annually

3.2.1 Accrual. Fire Chief accrues vacation leave in equal amounts on a semi-monthly basis with the exception of the first two weeks of leave granted during the first year of service, all of which accrue upon the start of employment.

3.2.2 Vacation Cap. Vacation may not be accrued in excess of two times Fire Chief's annual accrual rate. Fire Chief will cease to accrue vacation once he has accrued two times his annual vacation accrual until such time as his accrued vacation is reduced below this limit.

3.2.3 Vacation Cash Out. The District shall pay Fire Chief, at his request, up to 50% of his total, annual accrued, unused vacation on June 15 of each year.

3.2.4 Termination/Retirement. Upon termination or retirement, Fire Chief will be paid his accrued and unused vacation leave.

3.3 Administrative Leave. In recognition of work that is regularly performed by Fire Chief after hours and on weekends, such as emergency responses and necessary civic engagement, the Fire Chief shall be granted eighty (80) hours of Administrative Leave Time on an annual basis. Eight (8) hours shall be deposited in Fire Chief's account upon hire. Thereafter, eighty (80) hours of administrative time shall be deposited in Fire Chief's account annually on January 1 of each year. Administrative time is non-pensionable. Administrative time must be used in eight (8) hour or greater increments. If Fire Chief has an administrative time balance of less than eight (8) hours, he may use the accrued hours in any increment up to the maximum of his accrued administrative time hours. Administrative leave time must be used within the calendar year and may not be carried over. Any administrative leave remaining at the end of the year shall be automatically cashed out in the last full pay period in the year in which it was accrued.

3.4 Sick Leave. Fire Chief shall accrue sick leave at a rate of six (6) hours per pay period. Accrued, unused sick leave may be applied to service time credit upon retirement per contract between Rancho Adobe Fire and CalPERS. The rate of pay shall be the regular hourly rate of pay at the time of Fire Chief's retirement or position eliminated. Sick leave will continue to be earned during vacation or sick leave time off.

3.4.1 Excess Sick Leave. In the event that Fire Chief's position is eliminated or Fire Chief has retired after ten years of service, Fire Chief may receive payment for one quarter (0.25) of any accumulated sick leave not applied to service time credit, up to a maximum of seven hundred and twenty (720) hours.

3.5 Health Insurance.

3.5.1 Medical. The District requires all employees to have District-provided medical insurance unless the employee can provide proof of alternative minimum essential coverage for employee and employee's tax family. Accordingly, if the Fire Chief wishes to opt-out of District-provided medical, the Fire Chief

submits a form regarding sufficient alternative minimum essential coverage. The form is referred to as Waiver of Medical Insurance Coverage form.

3.5.4 Retirement Health Benefits. Employees that retire under the CalPERS system in good standing from the Rancho Adobe Fire District after twenty years of service may receive reimbursement for health insurance coverage from the District up to \$300 per month, for the employee only, until the employee reaches the age of 65, per Rancho Adobe Fire District Resolution R-6 2002/2003 dated November 20, 2002.

3.6 Life Insurance. The District provides a basic life insurance plan through the provider selected by the District at no cost to the Fire Chief.

3.7 Employee Assistance Program. Fire Chief shall be afforded the opportunity to utilize the District's Employee Assistance Program (EAP) services in accordance with the District's EAP plan.

3.8 Holidays. Fire Chief is entitled to eight hours of paid leave on holidays observed by the District's management and administrative support staff members. These paid holidays are as follows:

- New Year's Day
- Dr. Martin Luther King, Jr., Day
- Lincoln's Birthday
- Presidents' Day
- Cesar Chavez Day
- Memorial Day
- Independence Day
- Labor Day
- Admission Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day

3.9 Uniforms. The District shall provide the Fire Chief with all safety gear and uniforms.

4. **Retirement.** The District shall provide coverage for the Fire Chief under the current retirement benefit plan with CalPERS, for employees not previously covered under a CalPERS retirement plan who are considered “new members” for purposes of CalPERS. This California Public Employees’ Pension Reform Act (PEPRA) plan utilizes a 2.7% at age 57 benefit retirement formula. Employees are responsible for paying 50% of normal costs as directed by CalPERS. The FY 22/23 employee contribution is 13.75%.

5. **Termination.**

5.1 **Termination by the District.** Consistent with California Government Code section 3254(c), the Fire Chief shall not be removed without providing the Fire Chief with written notice, the reason or reasons for removal, and an opportunity for administrative appeal. As used here, removal for the purpose of implementing the goals or policies, or both, of the public agency or appointing authority, or for reasons including, but not limited to, incompatibility of management styles or as a result of a change in administration, shall be sufficient to constitute “reason or reasons.” As used here, “administrative appeal” shall be conducted according to procedures established by the District, including that the District Board of Directors reserves the right to hear any appeal required under Government Code section 3254(c) and/or to appoint a hearing officer. If a hearing officer is appointed by the District, the hearing officer’s written findings shall be advisory to the District Board of Directors. The decision of the District Board of Directors shall be final. Nothing in this section shall be construed to create a property interest in the job of fire chief.

5.2 **Termination Benefits.** If the District terminates the Fire Chief’s employment, the District shall pay to Fire Chief a severance payment equal to three months’ base salary in exchange for the Fire Chief signing a full release of claims against the District. Payment of the Termination Benefits shall be made within forty-five (45) days after execution of the release of claims.

5.3 **Forfeit of Termination Benefits.** Fire Chief shall not be entitled to the Termination Benefits described in Section 5.2 above, if Fire Chief’s employment is terminated for any of the following reasons:

- (1) Fire Chief’s gross negligence or willful misconduct in the performance of his duties to the District;
- (2) Fire Chief’s repeated unexplained or unjustified absence from the District, or Fire Chief’s willful neglect of his duties which Fire Chief does not cure or correct within 30 days of

- the District's written notice of the identified problem;
- (3) Fire Chief's commission of any act of fraud or dishonesty with respect to the District;
 - (4) Fire Chief's material breach of or noncompliance with the terms of this Agreement, the District's policies or procedures, or any other agreement between Fire Chief and the District which Fire Chief does not cure or correct within 90 days of District's written notice of the identified breach; or
 - (5) Fire Chief's conviction of a felony or a crime involving moral turpitude or Fire Chief's causing material harm to the standing or reputation of the District.

5.4 Termination by Fire Chief. Fire Chief may terminate this Agreement and his employment with the District for any reason and at any time. The District requests that, when possible, Fire Chief provide sixty (60) days advance written notice prior to ending his relationship with the District, though he is under no obligation to do so. In the event Fire Chief terminates his employment with the District, for any reason, he shall not be entitled to the Termination Benefits, defined in Section 5.2 above.

6. Existing District Policies and Procedures.

All terms and conditions of District personnel rules, policies and procedures in effect as of the Effective Date of this Agreement shall apply to Fire Chief except if the specific provisions of this Agreement conflict with the rules, policies and/or procedures, the terms of this Agreement shall prevail.

7. Dispute Resolution.

7.1 Informal Resolution. In the event of any dispute arising between the Parties under this Agreement, the Parties agree to notify the Board of Directors of the District of the Dispute, and the Parties agree to work in good faith to informally resolve the dispute.

7.2 Mediation. In the event a dispute arises between the Parties with respect to this Agreement that cannot be resolved informally, the Parties shall participate in mediation.

7.2.1 A request for mediation must be made in writing to the President of the Board of Directors within thirty (30) days after the aggrieved party became aware of, or should have been aware of, the dispute (which time frame may

be extended during such time as the parties were working in good faith to informally resolve the issue);

7.2.2 The Parties agree to participate in at least four (4) hours of mediation. Each party agrees to participate in good faith in the mediation with the intent to resolve the dispute. The mediation shall be conducted within thirty (30) days after the request for mediation is made;

7.2.3 The parties may either agree upon a mediator or agree to have one chosen for them. If the parties do not agree upon a mediator within ten (10) calendar days of the request for mediation, a request shall be made by either or both parties to the California State Mediation & Conciliation Service (CSMCS) for a list of five (5) mediators. Upon receipt of the list from CSMCS, the parties will alternatively strike mediators until one mediator remains, which will be the mediator of the dispute;

7.2.4 The cost of the mediator and a court reporter (if the parties agree on the use of a court reporter) shall be split equally between the District and the Fire Chief. Each party shall pay for the fees and expenses of their own attorneys, experts, witnesses, and other costs associated with the mediation

8. Miscellaneous Provisions.

8.1 Severability. It is the desire of the Parties that this Agreement be binding and enforceable to the maximum extent permitted by law. Should any term or provision of this Agreement be declared or determined by a final and binding arbitrator or by a court of law or other tribunal of valid jurisdiction to be invalid or unenforceable in whole or in part, that adjudication shall not affect the validity of the remainder of the Agreement, which shall remain in force.

8.2 Modification, Amendment, Waiver. Except where stated above, no modification or amendment of any of the provisions of this Agreement shall be effective unless approved in writing and signed by Fire Chief and the District. The failure of Fire Chief or the District to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of either Party thereafter to enforce each and every provision hereof in accordance with its terms.

8.3 Governing Law. This Agreement has been negotiated and entered into in the State of California and shall be governed by, construed, and enforced in accordance with the laws of the State of California.

8.4 Counterparts. This Agreement may be executed by the Parties in counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties specifically agree that signatures on this Agreement received by facsimile or electronic transmission (i.e., a **PDF** version) shall be legally binding and that each party is entitled and authorized to rely on the signatures transmitted by facsimile or electronically of the other parties as if they were original signatures.

8.5 Effective Date. The Effective Date of this Agreement is the date of the last signature to this Agreement.

Dated: _____

Rancho Adobe Fire Protection District

Signed: _____

Print Name: _____

Title: _____

Dated: _____

By: _____
Jeffery Veliquette