

AT-WILL EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF TEMECULA AND
RONNIE MORENO

This employment agreement (“Agreement”) is entered into by the City of Temecula (“City”) and Ronnie Moreno, Director of Public Works/City Engineer (“Employee”). In addition to the terms and conditions of this Agreement, employee is a participant in the City’s Management Compensation Plan and entitled to the benefits provided therewith.

Recitals

City desires to employ Employee as an at-will employee in the position of Director of Public Works/City Engineer. Employee desires to be the Director of Public Works/City Engineer and acknowledges that such employment is at-will. Employee shall be subject to lawful termination from employment without the City stating, showing, or proving that any cause or reason exists and/or is the basis for the City Manager’s determination to terminate employee. Accordingly, employee shall not be provided with any basis or forum by which to challenge any determination by the City Manager that employee be terminated. Inasmuch as employee serves at the will of the City Manager, there is no term of this Agreement, and it shall remain in force and effect unless or until terminated as provided for herein.

The City Manager, pursuant to the authority granted by the City of Temecula Municipal Code and City Council, agrees to hire Employee, as an at-will employee, subject to the terms and conditions identified below.

AGREEMENT

Section 1: TERM

The effective date of this Agreement shall be July 13, 2024. The City and Employee each retain the option of terminating the employment relationship between them at any time regardless of cause or reason.

Section 2: DUTIES

- A. City engages Employee as the Director of Public Works/City Engineer to perform the functions and duties specified in the Classification Specification for the position (Attachment “A”, incorporated herein by this reference), as the same may be modified by the City Manager, and to perform such other legally permissible and proper duties and functions as the City Manager shall assign.
- B. Employee agrees that to the best of his/her ability and experience that he/she will at all times conscientiously perform the duties and obligations required, either express or implied, by the terms of this Agreement, the ordinances, resolutions and adopted policies of the City of Temecula and the laws and regulations of the State of California and the United States.
- C. As a public employee, Employee is required to work a full and complete work week pursuant to the established work schedule as determined by the City Manager, and devote whatever time is necessary to fulfill the employment responsibilities and duties as

identified in this Agreement. Employee is generally exempt from Fair Labor Standards Act (FLSA) overtime requirements. This exemption is based upon the fact that all executive management employees have passed the salary and duty tests required for this exemption.

Section 3: EXCLUSIVE EMPLOYMENT

Employee agrees to focus his/her professional time, ability and attention to City business during the term of this Agreement. Consequently, Employee agrees not to engage in any other business pursuits, whatsoever, directly or indirectly, render any services of a business, commercial, or professional nature to any other person or organization, for compensation, without the prior written consent of the City Manager. This does not preclude Employee from volunteering his/her services to other entities or individuals as long as such volunteer services are not in conflict with the services to be provided by Employee under this Agreement.

Section 4: COMPENSATION

As compensation for the services to be rendered by Employee, City agrees to pay Employee a base starting salary of no less than \$255,777.60, per year, payable in twenty-six (26) biweekly installments at the same time as other employees of the City are paid and subject to customary withholding. Salary adjustments (merit increases), if any, in Employee's salary during the term of this Agreement shall be at the sole discretion of the City Manager based upon the City Manager's evaluation of Employee's job performance and within the base salary range established by the City Council or as otherwise approved by the City Council. Any and all adjustments shall be in accordance with City personnel policies and procedures. Employee's salary shall be reflected in the City's publicly available salary schedule.

Section 5: BENEFITS

A. Retirement

As an employee of the City of Temecula, Employee will be enrolled in the California Public Employees Retirement System (PERS) retirement plan, as such plan may be amended by the City Council. As of the date of this employment agreement, such plan includes the 2.7% @ 55 and 2.0% @ 60 benefit formulas for "classic" miscellaneous employees depending on their hire date, or the 2.0% at 62 benefit formula for "new" miscellaneous employees.

B. Automobile Allowance

Employee shall receive a monthly automobile allowance in lieu of mileage reimbursement. This allowance will only be provided when Employee is actively at work and not out on extended FMLA/CFRA Leave. The monthly dollar amount will be set at \$400 per month as outlined in the annual operating budget.

C. Retention Benefit

If the City's General Fund Reserves are fully funded at the then-established standards of the City Council, the City's Retention Benefit outlined in this section may be offered to Employee at the discretion of the City Manager.

After completing five years of executive service with the City of Temecula, and if Employee

has achieved the highest possible overall performance rating on three out of their last five annual performance evaluations, he/she shall be eligible to receive an amount equal to the then maximum normal contribution limit to an Internal Revenue Code Section 457(b) Deferred Compensation Plan (i.e., \$23,000 in 2024). This amount shall be paid as income in twenty-six (26) biweekly installments at the same time as Employee is typically paid, and subject to customary withholding. Employee may elect to place these funds in a City-sponsored Internal Revenue Code Section 457(b) Deferred Compensation Plan as allowable by law. If Employee should separate from employment with the City of Temecula prior to the full distribution of an earned Retention Benefit, Employee shall be paid for all earned Retention Benefit disbursements not yet received.

D. Other Executive Management benefits

Unless otherwise specified, Employee shall receive all benefits specified by the then current Management Compensation Plan of the City Council of Temecula for Management Staff, including, without limitation, those related to Comprehensive Annual Leave, Executive Leave, Holidays, Health, Dental, and Vision Insurance, Life Insurance, Flexible Benefits Plans, Deferred Compensation, and other types of leave in accordance with other policies established by the City.

Section 6: TERMINATION AND SEVERANCE PAY

- A. Employee is an at-will employee and serves at the will and pleasure of the City Manager. The City and employee each retain the option of terminating the employment relationship between them at any time regardless of cause or reason.
- B. If Employee is requested to resign or is terminated, he/she shall be provided severance compensation in the form of his monthly base salary for a period of six months after the effective date of his termination. Said monies shall be paid on regular City pay dates in installments during each payroll period in amounts equal to that which employee would have received for base salary and all benefits including retirement, cafeteria allotments/health and welfare coverages and any other benefits except leave accruals and automobile allowance payments. In addition, employee can request, at any time during the payout period, to receive a lump sum for any remaining balances due under this agreement. This action would conclude the City's obligation. The employee shall not receive any compensation as provided for herein in the event that he is terminated for good and sufficient cause.
- C. Notwithstanding paragraphs A and B, above, if Employee resigns or retires, or is terminated for cause, Employee shall be terminated forthwith on receiving notice and shall only receive payment for services rendered up to the time of notice plus any accrued and unused Comprehensive Annual Leave and Executive Leave, and the City shall have no obligation to pay any severance provided in this section. Furthermore, Employee agrees that any severance provided shall be fully reimbursed to the City if the Employee is convicted of a crime involving an abuse of his office or position.
- D. Upon termination, Employee shall be paid for all earned, but unused, Comprehensive Annual Leave and Executive Leave.

Section 7: EXECUTIVE COMPENSATION LIMITATIONS

If Employee is on Paid Administrative Leave during a pending investigation, any salary provided for that purpose shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of his office or position.

If Employee is provided funds for any legal criminal defense during his employment with the City, any funds provided for that purpose shall be fully reimbursed to the City if the Employee is convicted of a crime involving an abuse of his office or position.

If this Agreement is terminated, any cash settlement related to the termination that Employee may receive from the City shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of his office or position.

The City makes no representation or guarantee as to whether any of the compensation or payments in this Agreement shall be subject to CalPERS service credit or pensionable income. Any determination by CalPERS to not fully credit the compensation and/or service time provided under this Agreement is outside of the City's control. Employee takes full risk as to CalPERS action and agrees he/she shall have no recourse against City due to any decision or action on this matter by CalPERS.

Section 8: RESIGNATION / RETIREMENT

Employee may resign at any time. Employee may retire, provided he/she is eligible for retirement, at any time.

Section 9: DISABILITY

If Employee is permanently disabled or otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of thirty (30) calendar days beyond any earned sick leave, City shall have the option to terminate this Agreement; however, the City's option to terminate under this Section shall be limited by its obligation to engage in the interactive process for reasonable accommodations and to provide reasonable accommodations as required by law. Nothing in this Section shall be construed to limit or restrict Employee's benefits or rights under workers' compensation or the Public Employees Retirement System ("PERS").

However, an employee terminated under this section shall not be eligible for severance pay, as delineated in Section 6 of this Agreement.

In cases of disability as described in this section, Employee shall be compensated for any earned, but unused, Comprehensive Annual Leave and Executive Leave.

Section 10: GENERAL PROVISIONS

A. Notice

Any notices required by this Agreement shall be in writing and either delivered in person or by first class, certified, return receipt requested US Mail with postage prepaid. Such notice shall be addressed as follows:

TO CITY: City Manager
City of Temecula
41000 Main Street
Temecula, CA 92590

TO EMPLOYEE: Ronnie Moreno
Most recent address on file in Human Resources.

B. Entire Agreement

The text of this Agreement shall constitute the entire and exclusive agreement between the parties. All prior oral or written communications understanding or agreements between the parties, not set forth herein, shall be superseded in total by this Agreement. No Amendment or modification to this Agreement may be made except by a written agreement signed by the Employee and the City Manager and approved as to form by the City Attorney.

C. Assignment

This Agreement is not assignable by either the City or Employee. This Agreement shall not be construed against any one party but shall be construed as if jointly prepared by employee and City. Any uncertainty or ambiguity shall not be construed against any one party.

D. Severability

In the event of any inconsistencies between the rules, policies and regulations of the City, this Agreement shall govern. In the event that any provision of this Agreement is finally held or determined to be illegal or void by a court having jurisdiction over the parties, the remainder of this Agreement shall remain in full force and effect unless the parts found to be void are wholly inseparable from the remaining portions of this Agreement.

E. Effect of Waiver

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

F. Jurisdiction

Any dispute between the parties shall be submitted to final and binding arbitration pursuant to the rules of the American Arbitration Association (AAA). Any dispute between the parties shall be submitted to final and binding arbitration pursuant to the rules of the American Arbitration Association (AAA.) The arbitration shall be conducted by a single arbitrator chosen pursuant to AAA rules and shall be conducted pursuant to the AAA rules and the California Arbitration Act. The arbitrator shall have the authority to allow discovery, including depositions, shall render a decision in writing that fully explains the decision, and may award the same categories of relief which may be awarded by a California Superior Court jury or judge. Both parties shall be empowered to present evidence, both oral and documentary, to cross examine adverse witnesses, and to present argument, both written and oral. Each party shall bear their own

attorney's fees and arbitration costs including witness fees, subpoena fees, and other charges incurred at the discretion of the Employee and the Employee's counsel. The City shall bear the full costs of the arbitrator and all other expenses unique to the arbitration process. The arbitrator may award attorney's fees to the prevailing party if such an award could be made in a California Superior Court. This arbitration provision shall apply to all claims for which arbitration is legally applicable in contract, tort or statute including but not limited to the California Fair Employment and Housing Act, Title VII of the U.S. Civil Rights Act of 1964 as amended, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and all other statutes and regulations applicable to the employment relationship.

G. Effective Date

This Agreement shall take effect on July 13, 2024.

[Signatures Begin on Next Page].

IN WITNESS WHEREOF, the City of Temecula has caused this Agreement to be signed and executed on its behalf by its City Manager and executed by the Employee.

City of Temecula, a general law City and California municipal corporation

Dated: _____

By: _____
Aaron Adams, City Manager

ATTEST:

Randi Johl, Director of Legislative Affairs/
City Clerk

Approved as to form:

Peter M. Thorson, City Attorney

In signing this Agreement, Employee understands and agrees that his/her employment status is that of an **at-will employee** and that his/her rights to employment with the City are governed by the terms and conditions of this Agreement rather than the ordinances, resolutions, and policies of the City of Temecula which might otherwise apply to employees of the City. Employee further acknowledges that he/she was given the opportunity to consult with an attorney prior to signing this Agreement.

Dated: _____

Employee Signature

Ronnie Moreno

Employee Name (printed)

ATTACHMENT A

Classification Specification