

AGREEMENT FOR EMPLOYMENT OF CITY MANAGER

THIS AGREEMENT (“**Agreement**”) is entered into on December 24, 2021 by the City of Irvine, a municipal corporation organized and existing under the laws of the State of California (“**City**”), and Oliver C. Chi (“**Manager**”). City and Manager are sometimes individually referred to herein as a “**Party**” and sometimes collectively referred to herein as the “**Parties.**”

RECITALS

WHEREAS, the City Council of the City of Irvine (“**City Council**”), the governing body of City, desires to employ Oliver C. Chi as the City Manager of the City of Irvine effective December 24, 2021 as provided by Article V of the Charter of the City of Irvine and Title 1, Division 3 of the Irvine Municipal Code and the terms and conditions set out herein.

WHEREAS, the City and Manager have entered into this Agreement in recognition of the benefits accruing to each Party; and

WHEREAS, this Agreement will ensure the retention of Manager’s services as City Manager and the performance of the duties of the office in a manner which serves the best interests of City, subject always to the direction of the City Council; and

WHEREAS, this Agreement shall further provide for an equitable manner of termination of Manager’s employment with City in certain circumstances.

TERMS

NOW, THEREFORE, in consideration of the faithful performance of the terms and conditions set forth below, the Parties agree as follows:

1. **EMPLOYMENT AS CITY MANAGER; DUTIES.** City agrees to employ Manager as City Manager of the City of Irvine, and Manager agrees to serve as City Manager of the City of Irvine, performing the duties and responsibilities as set forth in Article V of the Charter of the City and Title, 1, Division 3 of the Irvine Municipal Code, and in accordance with applicable provisions of State law. Manager shall further perform such other legally permissible and proper duties and functions as the City Council may from time to time assign.
2. **TERM; WORK SCHEDULE.** Manager’s term as City Manager will become effective on December 24, 2021 and shall remain in effect for a period of two (2) years (“**Term**”), unless otherwise terminated pursuant to the provisions stated herein. At the end of the Term, this Agreement may be extended upon mutual agreement of the Parties. During the Term, Manager shall be a full-time City Manager of the City of Irvine.
3. **SALARY.** During the Term, Manager shall receive an annual salary of Three Hundred Three Thousand Fourteen Dollars and Forty Cents (\$301,246.40) per year. Except as may otherwise be provided, Manager’s salary, and other compensation provided for in this Agreement, shall be paid in increments in the same manner as for other City employees. Manager’s salary shall be adjusted as follows:

3.1 **MANAGEMENT ADJUSTMENTS.** Manager shall receive the same percentage salary adjustments as the City may from time to time confer upon the class of employees designated by the City as “Management.”

3.2 **MERIT INCREASES.** The City Council may from time to time grant merit increases to Manager’s salary provided above, as follows: If after each evaluation of the Manager’s performance, as described in Paragraph 5 of this Agreement, the City Council concludes that Manager’s performance warrants an adjustment for merit, the City Council may grant a merit adjustment in an amount determined by the City Council, to be effective on a date determined by the City Council. Such merit adjustments may be granted on one or more occasions during a year and may be in the form of lump sum payments, adjustments to annual salary or any other form determined by the City Council, but shall be in addition to any adjustments made in accordance with Subparagraph 3.1.

4. **BENEFITS.** During the Term, Manager shall receive any and all supplemental benefits as specified in the City Council Resolution 21-29 and any successor resolutions, agreements, or the like (collectively, the “**Current Resolution**”). Such benefits include, but are not limited to, vacation, personal sick leave, personal leave, bereavement leave, parenthood leave, administrative leave, holidays, holiday leave days, pension/retirement (PERS) benefits and payments (including those relating to the retiree health plan), health insurance, dental insurance, vision insurance, life insurance, disability insurance, flexible spending account, telecommunications allowance, vehicle allowance, management incentive pay, employee development allowance, deferred compensation contributions, retiree health contributions, and physical examination allowance. All actions undertaken by City relating to benefits for management employees shall be considered actions affecting the same benefits applicable to Manager.

5. **PERFORMANCE EVALUATION BY CITY COUNCIL.** The Mayor and the City Council are responsible for setting performance goals on an annual basis in consultation with the City Manager. The City and Manager acknowledge that periodic performance evaluations are an important means by which the City Council and the City Manager may ensure effective communications regarding expectations and performance. Toward this end, the City Council shall review and discuss Manager’s performance in or around July of 2022. The City Council may in its discretion conduct additional evaluations of Manager’s performance at such times as it deems appropriate.

6. **TERMINATION OF EMPLOYMENT.** Notwithstanding anything in this Agreement to the contrary, this Agreement may be terminated prior to the expiration of the Term as follows:

6.1 **VOLUNTARY RESIGNATION.** Manager may voluntarily resign by delivering a letter of resignation to the City Council not less than thirty (30) days prior to the effective date of resignation. Promptly after the effective date of resignation, the City shall pay to Manager all salary and benefits amounts both accrued and owing under this Agreement and other applicable laws, rules, programs, and policies of the City, State and Federal government.

(b) **WITHOUT CAUSE.** If Manager is involuntarily terminated by the Council without Cause, City agrees to (i) enter into a Separation Agreement and Release of Claims (“**Separation Agreement**”) with Manager in substantially the form attached as **Exhibit A**, which will, subject to qualifications and contingencies specified in **Exhibit A**, provide for continuing base pay and benefits during the transition period for the engagement and on-boarding of a new City Manager for City, which period shall be equal to six (6) months, or as many months as then remain on Manager’s contract term, whichever is less (“**Separation Period**”), less legally required or authorized deductions. In exchange for and as a condition to receipt of the consideration received by Manager under the Separation Agreement, Manager shall execute a release and waiver, in a form acceptable to the City Attorney, releasing the City from any and all claims associated with Manager’s termination, as more fully set forth in **Exhibit A**.

7. **PROFESSIONAL DEVELOPMENT.** The City acknowledges its interest in the continuing professional development of Manager and agrees to allow and pay all expenses associated with attendance at annual conferences of the International City/County Management Association, League of California Cities, and California City Managers Association. Further, the City agrees to pay the membership dues for Manager in the International City/County Management Association and City Manager’s Department of the League of California Cities. With the prior consent of the Council, the City agrees to allow Manager to attend and participate in such other professional associations and conferences as may be mutually agreeable to both Parties. The City acknowledges the right of Manager to engage in other professional activities as long as they do not interfere or conflict with Manager’s duties as City Manager. Such professional activities may include teaching, writing, consulting and others.

8. **DISPUTE RESOLUTION.** All claims, disputes and other matters in controversy (each a “**Dispute**”) arising, directly or indirectly out of or related to this Agreement (and/or the release and waiver required by Subparagraph 6.3(b), above, and **Exhibit A** attached hereto), or the breach thereof, whether contractual or non-contractual, and whether during the Term or after the termination of this Agreement, shall be resolved exclusively according to the procedures set forth in this Paragraph 8.

8.1 **INFORMAL RESOLUTION PROCESS.** Neither Party shall commence an arbitration proceeding pursuant to the provisions of Subparagraph 8.2 unless such Party shall first give a written notice (a “**Dispute Notice**”) to the other Party setting forth the nature of the Dispute. The Parties shall attempt in good faith to resolve the Dispute through a meet and confer process, which shall include a face-to-face meeting to be held within thirty (30) days following Delivery of the Dispute Notice. If the Dispute has not been resolved within sixty (60) days after delivery of the Dispute Notice, then the Dispute shall be determined by arbitration in accordance with the provisions of Subparagraph 8.2.

8.2 **FORMAL RESOLUTION PROCESS.** Any Dispute that is not settled as provided in Section 8.1 shall be resolved by arbitration before a single arbitrator appointed by JAMS Orange County. Subject to repayment through the prevailing party process described below, the City shall pay the fees charged by JAMS Orange County for the arbitration. The determination of the arbitrator shall be final and absolute. The arbitrator shall be governed by the duly promulgated rules and regulations of JAMS Orange County

or its successor then in effect, and the pertinent provisions of the laws of California. The decision of the arbitrator may be entered as a final judgment in any court of competent jurisdiction. The prevailing party in any such arbitration shall also be entitled to recover reasonable attorneys', paralegals', and experts' fees and costs of suit (including the amount of fees paid to JAMS Orange County for the arbitration) in addition to any other relief awarded such prevailing party.

9. **MISCELLANEOUS.**

9.1 **EXPRESSION OF INTENT REGARDING RESIDENCY.** Manager expresses an intent to relocate from his current residence to a location within or in close proximity to Irvine within a reasonable period of time.

9.2 **CONTRACT PROVISIONS CONTROLLING.** To the extent the provisions of this Agreement are inconsistent with the provisions of Irvine Municipal Code section 1-3-104 and/or 1-3-108, the provisions of this Agreement shall control.

9.3 **INDEMNIFICATION.** The City shall defend, hold harmless and indemnify Manager against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of Manager's duties to the City. In its sole discretion, the City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered therefrom.

9.4 **CONFIDENTIALITY.** Manager acknowledges that in the course of his employment with the City, Manager will be given access to or will have access to confidential and proprietary documents and information relating to the City, its residents, businesses, employees, and customers ("**Confidential Information**"). Such Confidential Information may include, but is not limited to, all information given to or otherwise accessible to Manager that is not public information or would be exempt from public disclosure as confidential, protected, exempt, or privileged information. Manager shall hold all Confidential Information in trust for City's benefit and shall not disclose the Confidential Information to others without the expressed written consent of City. All Confidential Information shall be promptly returned to City immediately upon the effective date of any termination or resignation.

9.5 **OTHER RIGHTS OF PARTIES.** Unless expressly set forth in this Agreement, nothing in this Agreement shall abrogate any rights, responsibilities, benefits or privileges to which either Party would otherwise be entitled.

9.6 **AMENDMENT OF AGREEMENT.** This Agreement may be amended in writing by mutual agreement of the Parties.

9.7 **STATE LAW.** The rights and obligations of the Parties to this Agreement shall be governed by the laws of the State of California.

9.8 **RECITALS.** The recitals set forth above are incorporated by reference into this Agreement.

9.9 **FAILURE TO ACT OR DELAY OF ACTION.** No failure to exercise and no delay in exercising any right, remedy or power set forth in this Agreement shall operate as a waiver to the exercise of that right, remedy or power in the future.

9.10 **ENTIRE AGREEMENT.** This Agreement contains the entire agreement between the Parties. No promise, representation, warranty, or covenant not included in this Agreement has been or is relied upon by either Party to this Agreement.


9.11 **SEVERABILITY.** Should any paragraph, subparagraph, sentence, clause, phrase or word included in this Agreement be found invalid by a court of competent jurisdiction, the balance of this Agreement shall remain in full force and effect.

9.12 **NOTICES.** Notices pursuant to this Agreement shall be in writing and shall be personally served, given by mail or by overnight delivery. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the respective Parties at One Civic Center Plaza, Irvine, CA 92623-9575, or such other address as may be given, in writing, to the other Party.

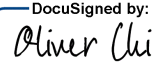
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written at the beginning of this Agreement.

CITY:


City of Irvine

By: 
 DocuSigned by: CF36A9EA8445497...
 Mayor

MANAGER:

By: 
 DocuSigned by: 04725D477CA44CA...
 Oliver C. Chi

ATTEST:


 DocuSigned by: 0FCAD91F02E547D...
 City Clerk

APPROVED AS TO FORM:



 DocuSigned by: DABE8880180C4BB...
 City Attorney

EXHIBIT A

EXHIBIT A

SEPARATION AGREEMENT AND RELEASE OF CLAIMS

BETWEEN

CITY OF IRVINE AND _____

This Separation Agreement and Release of Claims (hereinafter referred to as the "**Agreement**") is made and entered into by and between _____, his heirs, representatives, attorneys, successors, and assigns (hereinafter collectively referred to as "**Employee**") and the City of Irvine, a municipal corporation, and its City Council, Boards and Commissions, City Council members, officers, agents, employees, administrators, representatives, executors, successors, and assigns (hereinafter collectively referred to as the "**City**") (Employee and the City are collectively referred to as the "**Parties.**")

RECITALS

WHEREAS, Employee commenced his employment with the City of Irvine as City Manager, an at-will position, on or about December 24, 2021;

WHEREAS, Employee serves in the capacity of an at-will employee of the City of Irvine, and may be terminated without cause pursuant to that certain Agreement for Employment of City Manager dated December 24, 2021 ("**Employment Agreement**");

WHEREAS, the City has communicated to Employee that it has determined to terminate his employment, without cause, effective _____ at 5:00 p.m.;

WHEREAS, City has offered and Employee has agreed to resign his employment with the City instead of termination;

WHEREAS, Under the Employment Agreement, if the City Council determines to terminate the Employment Agreement without cause, City agrees to (i) enter into the Separation Agreement with Employee which will, subject to qualifications and contingencies specified hereinbelow, provide for continuing base pay and benefits during the transition period for the engagement and on-boarding of a new City Manager for City, which period shall be equal to six (6) months, or as many months as then remain on Employee's contract term, whichever is less ("**Separation Period**"), less legally required or authorized deductions.

WHEREAS, under the Employment Agreement, in exchange for and as a condition to receipt of the Severance Pay, Employee must execute a release and waiver, in a form acceptable to the City Attorney, releasing the City from any and all claims associated with Employee's termination; this Agreement serves as that form.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below and for other valuable consideration, receipt of which is hereby acknowledged, it is agreed as follows:

TERMS OF AGREEMENT

1. Effective Date

This Agreement shall become effective and irrevocable upon execution of the Agreement by both Parties and upon expiration of the Revocation Period set forth in paragraph 5(e) below ("**Effective Date**").

2. Separation and Consideration

Employee acknowledges and agrees that he will resign from his employment with the City effective the close of business no later than _____ (the "**Separation Date**,") Until the Separation Date, Employee will be on paid administrative leave, receiving his full pay and benefits, including health care and will continue to accrue vacation leave, sick leave, and City Public Employee Retirement System ("**PERS**") contributions and PERS service credit. In City's sole discretion, City may reclassify Employee into a different position, so long as the reclassified position provides the same salary and benefits as was being received by Employee at the time of reclassification. While on administrative leave, Employee shall not be expected to perform the duties of his position, except as may be directed in writing by the City Council, the Acting City Manager, the Assistant City Manager, or a newly-appointed City Manager. Employee is not authorized to and shall not represent or make any representations on behalf of the City during the Separation Period. If Employee obtains other full time permanent PERS eligible employment earlier than the Separation Date, then he shall immediately inform the City of the first date of his new employment and the last business day prior to that date shall serve as Employee's resignation and Separation Date ("**New Separation Date**"), and City shall provide his separation pay, less tax withholdings, in amount equal to the remaining balance of the base salary that he would have earned if he remained on administrative leave until the original Separation Date. Employee may, in his sole and absolute discretion, elect to retire from the City prior to the Separation Date, in which case the effective date of his retirement shall serve as the New Separation Date, and the City shall provide his separation pay, less tax withholdings, in amount equal to the remaining balance of the base salary that he would have earned if he remained on administrative leave until the original Separation Date. If Employee elects to retire in accordance with the preceding sentence, he shall be entitled to purchase retiree health benefits in the same manner as other City of Irvine employees. Accrued leaves will be paid off at separation in accordance with the City Council Resolution 21-29, as it may be amended from time to time ("**Management Resolution**") and Personnel Rules and Procedures. Except as provided herein, and subject to any rights Employee may have to continuation of benefits under state or federal law, all other pay and benefits shall cease upon the New Separation Date.

Notwithstanding the foregoing, if the City reasonably determines that all or a material portion of the arrangement described in the preceding paragraph is illegal, unauthorized, or inconsistent with applicable regulations or requirements, City shall, in lieu of the arrangement described in the preceding paragraph, satisfy its obligations under

this Separation Agreement as follows: (1) within fifteen (15) days following the termination of the Employment Agreement, Employee shall receive severance pay in a lump sum cash payment equal to Employee's base salary (*i.e.*, the base salary Employee is receiving on the date of the City Council's action to terminate the Employment Agreement) over the Separation Period ("**Severance Pay**"); (2) City shall pay Employee's COBRA premiums for COBRA insurance coverage otherwise available to Employee, for the Separation Period, or as many months as then remain on Employee's contract term, or until Employee becomes ineligible for COBRA, whichever is less; (3) accrued leaves will be paid off within fifteen (15) days following the termination of the Employment Agreement in accordance with the Management Resolution, and (4) except as otherwise specified herein, and subject to any rights Employee may have to continuation of benefits under state or federal law, all other pay and benefits shall cease upon the termination of the Employment Agreement.

3. **Employee's Representations Regarding Claims**

Employee represents there are no known actions at law or administrative proceedings currently pending which relate, reflect, or concern allegations arising out of Employee's hiring, retention, or compensation by the City, or the resignation of his employment, or based on any act or failure to act by the City affecting, involving, or relating to Employee and his employment with the City.

4. **Mutual Release of Claims.**

In exchange for the valuable consideration and compromises set forth in this Agreement, each Party, on behalf of itself, its representatives, heirs, executors, administrators, attorneys, successors, and assigns hereby releases and discharges the other Party, its City Council, Boards and Commissions, its City Council members, officers, directors, agents, and employees (whether former or current), successors, assigns, insurers, attorneys, and consultants (all hereafter singly and collectively referred to as "**the parties hereby released**"), from any and all actions, claims, judgments, obligations, damages, and liabilities of any kind and character which each Party may now have or has ever had against the other Party arising from or during Employee's employment with the City, including but not limited to:

- a. Any and all claims for wages, salary, paid leave, and/or benefits;
- b. Any grievance or other administrative remedy deriving from City policy;
- c. Any and all claims for wrongful or constructive discharge and/or reinstatement;
- d. Any and all claims relating to any contracts, express or implied, or breach of the covenant of good faith and fair dealing, express or implied;

- e. Any and all tort claims of any nature, including but not limited to fraud, deceit, misrepresentation, negligent misrepresentation, defamation, invasion of privacy, negligent or intentional infliction of emotional distress;
- f. Any and all claims of discrimination, harassment, retaliation, or failure to accommodate under federal, State, or municipal statute or ordinance, including but not limited to race, national origin, color, age, sex, gender, sexual orientation, disability, religion, marital status, whistleblower, protected activity, or any other legally recognized protected status, and including, but not limited to, any claims under the United States Constitution, California Constitution, California Fair Employment and Housing Act, Family and Medical Leave Act, California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, 42 U.S.C. Section 1981, 42 U.S.C. Section 1983, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers' Benefit Protection Act, the California Labor Code including but not limited to Section 1102.5, and any other laws and regulations relating employment;
- g. Any and all claims for attorney's fees or costs; and
- h. The Parties hereby further agree that this Agreement shall operate as a complete bar against any and all litigation, charges, grievances now pending or contemplated by the Parties or which might at any time be filed including but without limiting the foregoing, any and all matters arising out of or connected with Employee's employment by and separation of employment from the City up to the Effective Date. Each of the aforesaid claims are hereby fully and finally settled, compromised and released by and between the Parties.

Employee's Initials: _____

City's Initials: _____

5. Employee's Release of Claims Under Age Discrimination in Employment Act

Employee acknowledges that he is knowingly and voluntarily waiving and releasing any rights or claims he may have under the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefits Protection Act. Employee further acknowledges he has been advised by this writing that:

- a. Employee is advised to consult an attorney of his own choosing before executing this Agreement, and Employee represents that he has in fact consulted with an attorney regarding this Agreement.
- b. The compensation and other compromises provided in this Agreement constitute independent consideration for the said waiver and are in addition to any other payment to which he is entitled.

- c. This Agreement is written in a manner designed to be understood by Employee and that he has read it carefully and understands its terms.
- d. Employee has twenty-one (21) days from receipt of this Agreement to consider it before signing it (the “**21-Day Consideration Period**”). Employee may sign this Agreement before the end of the 21-Day Consideration Period, but is under no obligation to do so. Employee understands that by signing the Agreement prior to the expiration of the 21-Day Consideration Period, he has voluntarily waived the remainder of the 21-Day Consideration Period.
- e. Employee acknowledges he has seven (7) days after signing this Agreement to revoke it (the “**Revocation Period**”) and that he may do so by providing written notice to the City of his intent to revoke this Agreement. This Agreement shall not become effective or enforceable until the seven (7) day Revocation Period has expired. The Parties have set the Effective Date of this Agreement as the date upon which this Revocation Period ends. For purposes of clarification, Employee shall remain on administrative leave from the City, and shall receive all pay and benefits, including health care and Public Employee Retirement System service credit, during the seven (7) day Revocation Period. In the event that Employee revokes the Agreement pursuant to this paragraph, the entire Agreement shall be void and ineffective.

Employee’s Initials: _____

6. Mutual Release of Claims Under California Civil Code Section 1542

The Parties each further understands and agrees as follows:

- a. That there is a risk that subsequent to the date of execution of this Agreement, Employee and/or the City may incur or suffer loss, damages, or injuries which may in some way be caused by an act or omission of the Employee and/or the City, but which are unknown, unsuspected, and unanticipated based upon or related to Employee’s recruitment, hiring, employment, and termination, and that each Party represents and warrant that it is not aware of any such circumstance now;
- b. That each Party assumes the above-mentioned risks and understands that the General Release contained in this Agreement shall apply to all unknown, unsuspected, or unanticipated results of the acts or omissions of both the City and Employee, specifically including, but not limited to, the recruitment, hiring, employment, and resignation of Employee, as well as those known, suspected and anticipated, and upon the advice of legal counsel, each Party hereby waives any and all rights under California Civil Code section 1542 (“**Section 1542**”), which section has been duly explained to each Party , and reads 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 RELEASED PARTY.

Each Party understands and acknowledges that the significance and consequence of this waiver of Section 1542 is that, even if it should eventually suffer or discover additional damages arising out of the matters which gave rise to claim(s) against the other, it will not be permitted to make any claim for those damages. Furthermore, each Party acknowledges that it intends these consequences even as to claims that may exist as of the date of this release but which it does not know exist, and which, if known, would materially affect its decision to execute this release, regardless of whether its lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

Employee's Initials: _____

City's Initials: _____

7. No Admission of Liability

This Agreement and compliance with this Agreement shall not be construed as an admission of any liability by either Employee and/or the City of any unlawful or wrongful acts by either Party, individually, or collectively. This Agreement is entered into solely to end Employee's employment with the City.

8. Mutual Non Disparagement

Employee agrees that he shall not issue any communications, written, verbal, electronic, or otherwise that disparages, denigrates, criticizes, or otherwise reflects adversely on the City, or on the services, policies, business practices, employees, executives, officers, or City Council members of the City, in any medium or to any person without limitation in time, or which encourages any adverse action against the City to the fullest extent permitted by law. The City agrees that its City Council members, the City Attorney and/or General Counsel, any Assistant Manager of the City of Irvine, and any employee in the position of Department Head or above, shall not issue any communications, written, verbal, electronic, or otherwise that disparages, denigrates, criticizes, or otherwise reflects adversely on Employee, or on his services and professional reputation, in any medium or to any person without limitation in time, or which encourages any adverse action against Employee to the fullest extent permitted by law. Notwithstanding the foregoing, neither party shall be precluded from providing accurate factual information to third parties where such disclosure is required by law.

9. Employee Representations.

Employee acknowledges and represents that Employee does not presently believe Employee has suffered any work-related injury or illness and accordingly, has not filed and does not intend to file any claim for workers' compensation benefits of any type against City. City has relied upon these representations, and City would not have entered into this Agreement but for these representations. As a result, Employee agrees, covenants, and represents that City may, but is not obligated to, submit this Agreement to the Workers' Compensation Appeals Board (or any other similar regulatory agency) for approval as a full compromise and release as to any workers' compensation claims in the Event Employee files such a claim. Employee further acknowledges and agrees that, to the extent permitted by law, the release set forth above is intended to cover any workers' compensation claim.

10. Public Record

Employee acknowledges and agrees that this Agreement is a public record under the California Public Records Act (California Government Code section 6250 et seq.) and that if City receives a request for disclosure of this Agreement that City shall release a copy to said requestor.

11. Return of Property

Employee shall immediately return to the City all City property in his possession or subject to his control, including without limitation any keys, credit cards, cellular telephones, electronic devices, files, and documents (and all copies thereof). Employee will recover his personal property from the City. Employee agrees not to enter upon non-public areas of City property without prior written permission of a duly authorized representative of City.

12. No Precedent

The Parties specifically acknowledge and agree that this Agreement is a compromise based on the specific facts and circumstances under which it is entered into, and that neither Party shall consider this Agreement evidence of a practice or past practice of the City or a precedent in the future.

13. Construction of the Agreement

Each Party has cooperated in the drafting and preparation of the Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against any Party on the basis that the Party was the drafter.

14. Acknowledgment of Voluntary Execution

Both Parties have carefully read this Agreement and understand the contents. Both the City and Employee have been afforded the opportunity to consult with their own

counsel regarding this matter and have in-fact consulted with attorneys of their own choosing. Employee freely, knowingly, and voluntarily enters into this Agreement without any duress or undue influence on the part of any person released by this Agreement, or by any third party. Employee warrants and represents that he has the mental and emotional capacity to understand the provisions of this Agreement and its effects upon his legal rights.

Employee's Initials: _____

15. Partial Invalidity

In the event that any of the covenants, duties, or restrictions of this Agreement are found to be illegal, invalid, or unenforceable, such provision, if possible, shall be construed so as to render the provision legal, valid, and enforceable. In the event such provision affects a financial term, the Parties shall negotiate a new term that substantially approximates the value of the illegal, invalid, or unenforceable provision. Failure to reach agreement within ten (10) days shall result in arbitration before Judicial Arbitration and Mediation Services, Orange County. In the event that any other provision cannot be amended or construed to be legal, valid, and enforceable, such provision shall be deemed deleted and the remainder of this Agreement shall remain in full force and effect.

16. Entire Agreement

This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements or understandings, written or oral, between the Parties pertaining to the subject matter hereof. No other promises or agreements shall be binding upon the Parties with respect to the subject matter of this Agreement unless contained herein or separately agreed to in writing by the Parties. This Agreement may not be modified except by a writing signed by Employee and a duly authorized representative of the City. This Agreement shall be binding on each of the Parties and heirs, estates, administrators, representatives, executors, successors, and assigns, and shall inure to the benefit of each of the Parties and of the Released Parties, and to their heirs, estates, administrators, representatives, executors, successors, and assigns.

17. Applicable Law

This Agreement shall be governed by the laws of the State of California, and shall in all respects, be interpreted and enforced under the laws of California. If litigation arising out of or connected with this Agreement, it shall be instituted and maintained in the courts of Orange County in the State of California or in the United States District Court, Central District of California, and the Parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

18. No Assignment

Employee warrants that he has not assigned, transferred, nor purported to assign or transfer, any claim(s) he may have against the City, and he will not assign or transfer, nor purport to assign or transfer, any claim(s) he may have against the City. The City warrants that it has not assigned, transferred, nor purported to assign or transfer any claim(s) it may have against Employee and that it will not assign nor purport to assign or transfer hereafter any claim(s) it may have against Employee.

19. **Waiver**

Waiver by either party of any default, breach, or condition precedent shall not be construed as a waiver of any other default, breach, or condition precedent or any other right hereunder.

20. **Section Headings**

The section and paragraph headings contained in this Agreement are for references purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

21. **Originals**

This Agreement may be executed in one or more originals, each of which shall, for all purposes, be deemed a legally enforceable original representative of the full and complete agreement of the Parties.

22. **Attorney's Fees and Costs**

The prevailing party (the "**Prevailing Party**") in any litigation, arbitration, bankruptcy proceeding, or other formal or informal resolution (collectively, a "**Proceeding**") of any claims brought by any Party to this Agreement against any other Party to this Agreement based upon, arising from, or in any way related to this Agreement or the transactions contemplated herein, including without limitation contract claims, tort claims, breach of duty claims, and all other common law or statutory claims (collectively, the "**Claims**"), shall be entitled to recover from such other party reasonable fees and costs. Should the Parties agree to arbitrate, attorney's fees and costs shall be awarded by the arbitrator in accordance with California Civil Code Section 1717 and/or California Code of Civil Procedure section 1032 et seq. and the cases interpreting those statutory provisions. For the purpose of this Agreement, the term "**prevailing party**" shall have the same meaning as that set forth in Code of Civil Procedure section 1032, subdivision (a)(4).

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year written below.

_____,
an individual

CITY OF IRVINE,
a municipal corporation

By: _____

By: _____

Date: _____

Date: _____