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CITY MANAGER EMPLOYMENT AGREEMENT BETWEEN THE CITY OF MOORPARK AND PJ GAGAJENA

This Employment Agreement ("Agreement") is made and entered into as of June 4, 2025, by and between the City of Moorpark, a California municipal corporation ("City" or "Employer"), and Pannie "PJ" Gagajena, an individual ("Employee").

R E C I T A L S

A. City has recently conducted a formal recruitment and selection process to fill an upcoming vacancy in the Office of City Manager.

B. City desires to appoint Employee to the at-will position of City Manager and Employee desires to accept appointment as City Manager, effective June 28, 2025.

C. Employee represents that he has the requisite specialized skills, training, certifications, licenses, and authorizations and is otherwise qualified to serve as City Manager.

D. City and Employee wish to enter into an Employment Agreement that sets forth the rights and obligations of the parties and that will supersede all prior negotiations, discussions or agreements.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Employee agree as follows:

1. TERM. Unless sooner terminated, as provided in this Agreement, the term of this Agreement shall be for two (2) years from Employee's start date of June 28, 2025 ("Effective Date") through June 27, 2027. Provided, however, this Agreement will not become effective unless Employee actually assumes the duties of City Manager on the Effective Date and is, on that date, willing and able to report for duty on the first regularly scheduled work day on or after the Effective Date. The Parties may mutually agree in writing to change the Effective Date.

2. DUTIES AND AUTHORITY. Employer agrees to employ Employee as City Manager. Employee shall exercise the full powers and perform the duties of the position of City Manager as set forth in the Moorpark Municipal Code, including Chapter 2.12, and all applicable rules, regulations, procedures, job description(s) and state and federal laws, as each of them currently or may in the future exist. At the option of Employer, Employee shall also serve as Executive Director of (or in a similar capacity for) any authority or agency created by or staffed by Employer. Employee shall exercise such other powers and perform such other duties not inconsistent with this Agreement as the City Council may assign.

3. EMPLOYEE'S OBLIGATIONS. Employee shall devote his full energies,

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interest, abilities and productive time to the performance of this Agreement, and utilize his best efforts to promote City's interests. Employee shall not engage in any activity, consulting service or enterprise, for compensation or otherwise, which is actually or potentially in conflict with or inimical to, or which materially interferes with, his duties and responsibilities to City. Employee shall obtain prior authorization from the City Council for any outside employment, consulting, teaching or enterprise. Employee also agrees to comply with the "Inconsistent Activities and Outside Employment" terms of the City Council adopted Management Benefits Resolution, currently contained in Section 15 of that resolution, including the certification and waiver requirements. The City Council will substitute for the City Manager as the reviewing authority, with approval or denial in its sole and absolute discretion.

4. SALARY AND BENEFITS.

A. Base Salary. From the Effective Date of this Agreement, City shall pay Employee an approximate annual salary of $245,000.00 (which for payroll purposes is rounded to $245,003.20) subject to legally permissible or required deductions and withholding, prorated and paid on City's normal pay days. Employee's salary is set at Range CM of City's Salary Plan covering City Manager's position, which amounts to an hourly rate of $117.79, a bi-weekly amount of $9,423.20, and a monthly salary of $20,416.93 before required deductions and withholding. Employee shall be compensated according to City's biweekly pay schedule. Identification of an hourly rate herein is to account for absences from work of less than eight (8) hours per work day or forty (40) hours per work week, and does not convert Employee's position into an hourly or non-exempt position, consistent with the Fair Labor Standards Act and City's practices. Employee's salary is compensation for all hours worked. Employee shall be exempt from the overtime pay provisions of California law (if any) and federal law.

B. Employment Benefits.

(1) Fringe Benefit Package. In addition to base salary and except as expressly provided in this Agreement, Employee shall receive the fringe benefits (retirement, deferred compensation, medical insurance, dental insurance, vision insurance, life insurance and annual physical) under plans, policies and controlling documents adopted by the City Council, and as they may be amended from time to time. Such fringe benefits are subject to the terms and conditions of the applicable plan, policy or other controlling documents, including laws and regulations, where applicable. To the extent that a benefit is granted to Employee and the benefit or its administration is not adequately addressed in the plans, policies and controlling documents or this Agreement, reference may be made to the comparable benefit as applied to Department Heads in the Management Benefits Resolution to fill any gaps, but not to change the terms of this Agreement.

(2) Annual Leave. Employee shall initially accrue annual leave at a rate of 8.0 hours per pay period. Leave use shall be calculated based on an eight-hour day. The minimum increment of Annual Leave that may be used is one quarter hour (15

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minutes.) Employee may accrue up to a maximum accumulated Annual Leave balance of four hundred eighty (480) hours of Annual Leave. When Employee's accumulated Annual Leave balance reaches the stated maximum number of hours, accrual of Annual Leave will cease. Employee shall be entitled to cash out up to eighty (80) hours of accumulated Annual Leave at any time during the period of January 1 through June 15 of each year, if the Department Head has taken no less than fifteen (15) days of paid leave time within the prior twelve (12)-month period and has at least three years of service with the City; and another one-time cash out of up to eighty (80) hours of Annual Leave for the first pay period beginning in November or first pay period beginning in March, and provided Employee's accumulated Annual Leave balance is not less than sixty (60) hours before cash out.

(3) Vacation and Sick Leave. The annual leave benefit is provided in lieu of designated vacation and sick leave, and can be used for either purpose.

(4) Administrative Leave. Employee shall accrue administrative leave at the rate of approximately one hundred sixteen (116) hours per year, accrued at the rate of 4.46 hours per pay period, with administrative leave pro-rated for partial years. Administrative Leave must be taken by the end of the calendar year ending December 31. Any unused, accumulated Administrative Leave totaling sixteen (16) hours or less at the end of a calendar year will be automatically converted to Annual Leave. Any accumulated Administrative Leave exceeding sixteen (16) hours at the end of a calendar year will not be carried over, and the Administrative Leave balance will be zero (0) at the beginning of each new calendar year, with the exception of the permitted leave carryover.

(5) Other Leaves and Holidays. Employee shall be entitled to other leaves and to holidays as provided in the City Council adopted Management Benefits Resolution or as otherwise applicable to other full-time City positions, and as such Resolution or other acts of the City Council may be amended from time to time. To the extent that leave programs vary by employee group, reference will be made to the benefit for Department Heads. As a salaried, overtime exempt employee, Employee's base salary includes compensation for work performed on any holidays.

(6) Scheduling of Leave. Employee may schedule and use general, administrative and other leave time at his discretion, with due regard for the demands of his position and the needs of City. Notwithstanding, any general, administrative and other paid leaves of more than three (3) consecutive work days that is susceptible to advance scheduling shall be approved in advance by the Mayor or in the Mayor's discretion by the City Council.

(7) Dental and Vision Insurance. For fiscal years 2025-26 and 2026-27, City will pay the full premium for employee and dependent coverage for the dental and vision programs. For subsequent fiscal years, Employee will receive the same premium contributions as Department Heads. City reserves the right to change benefit providers, which may cause specific benefits to vary based on the approved provider network or insurance.

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

(8) Medical Insurance Cafeteria Plan. City shall continue a cafeteria plan (Section 125 Premium-Only Plan) for medical insurance, and the City's contribution for Employee shall consist of a medical insurance allowance of up to one hundred percent (100%) of the PERS Platinum insurance Preferred Provider Organization (PPO) plan family rate, and such contribution shall be inclusive of the minimum CalPERS medical insurance payment amount as specified in Section 22892 et seq. of the Government Code.

The medical insurance cafeteria plan contribution, as specified above, is intended to pay for medical insurance for the employee and eligible dependents. An employee may convert up to a maximum of $300.00 of the medical insurance cafeteria plan allowance to cash or a deferred compensation payment each month, if not used for payment of CalPERS medical insurance costs for employee and/or eligible dependents (hereinafter referred to as in-lieu payment). The in-lieu payment shall be prorated over twenty-four (24) pay periods in a calendar year; and upon termination of employment, the in-lieu payment shall be prorated for the final paycheck, based on actual days worked, including any use of paid accumulated leave or holiday pay in that final pay period.

If Employee elects to waive medical insurance coverage for himself and eligible dependents, proof of alternative medical insurance coverage shall be provided at the time of open enrollment each year, and the Employee shall certify he will continue such alternative coverage so long as he receives an in-lieu payment. City agrees to provide this in-lieu payment option only so long as provider does not object and this action is consistent with applicable federal and state laws, including the Affordable Care Act or any successor thereto. Once Employee has selected an option for insurance coverage and/or in-lieu payment that would begin January 1 of each calendar year, he may not change his selected option until the next open enrollment date of the medical insurance plan, except as is permitted by law. All medical insurance costs that exceed the City's maximum allowance for the calendar year shall be paid by Employee through payroll deduction.

(9) Comprehensive Annual Physical. Employee is eligible for a City-paid comprehensive physical examination every two (2) years prior to age 50, and every year after age 50, with a maximum, cumulative City contribution of one thousand two hundred dollars ($1,200.00) for each pre-approved comprehensive physical examination, as a supplement for costs not covered or funded by medical insurance (including any specialized examinations, tests, follow-up tests, and laboratory costs).

(10) Life Insurance. Employee shall be provided term life insurance policy at two hundred fifty thousand dollar ($250,000.00) face value. Life insurance coverage for Employee’s dependents shall be the same as that provided for Competitive Service employees.

(11) Deferred Compensation. Employee shall be entitled to a deferred compensation contribution made by the City into an approved deferred compensation program of two and one-half percent (2.5%) of gross base salary.

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

(12) CalPERS Retirement. Employee shall continue to be enrolled as a member under the City's contract with the California Public Employee's Retirement System, under the appropriate benefit formula, with Employee paying employee's CalPERS contribution as required by PEPRA laws.

(13) Professional Development. City shall pay for Employee's annual dues for membership in professional organizations, as provided for in the annual budget, as may be amended, and, if applicable, City policy.

(14) Tuition Reimbursement. Employee shall be eligible to receive tuition reimbursement for courses pre-approved by the City Council and consistent with the rules, including tuition reimbursement rates, approved by the City Council for Competitive Service employees. That benefit is currently $2,000.00 per fiscal year with a lifetime cap of $12,000.00.

(15) Expenses. City recognizes that Employee may incur certain expenses of a non-personal and job related nature. City agrees to reimburse or to pay such business expenses, which are incurred and submitted according to City's normal expense reimbursement procedures and City Council adopted policies. 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.

(16) Car Allowance. Employee's duties require that he have available exclusive and unrestricted use of an automobile for business purposes and Employee agrees to have a personal vehicle available for such use. In consideration of this, Employer agrees to pay to Employee, during the term of this Agreement and in addition to other salary and benefits, a car allowance consistent with the City Council adopted Management Benefits Resolution as applicable to the City Manager position, as such Resolution may be amended from time to time. As of the Effective Date, the amount of the car allowance is $515.00 per month. The car allowance includes reimbursement for an appropriate allocation of vehicle insurance and all other expenses of vehicle ownership, maintenance and operation.

(17) Cell Phone. Employer will provide a monthly cell phone allowance consistent with the City Council adopted Management Benefits Resolution as applicable to the City Manager position, as such Resolution may be amended from time to time. As of the Effective Date, the amount of the cell phone allowance is $70.00 per month. Employee agrees to use a cell phone number with the local area code of 805 for work purposes. In the event Employee is unable to secure a phone number with the 805 area code, use of the 820 area code is a permissible substitute.

(18) Bonding. City shall bear the full costs of fidelity or other bonds required of Employee (if any) under any law or ordinance by virtue of his employment as City Manager.

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

5. EVALUATIONS. Employee shall report to and will be evaluated by the City Council. Employee's performance will be reviewed as follows: (a) approximately six (6) months after the Effective Date of this Agreement (with no expectation of any salary or benefits adjustment), (b) within approximately thirty (30) days after the first anniversary of this Agreement, (with the possibility but not the assurance of a salary and benefit adjustment); (c) within approximately thirty (30) days after the 18th month of the Effective Date of this Agreement (with no expectation of any salary or benefits adjustment), and then (d) within approximately 45-60 days prior to the two year anniversary of the Effective Date of this Agreement, and in connection with any proposed expiration or extension of this Agreement. Employee will request and schedule such reviews, as appropriate pursuant to City Council agenda procedures or as otherwise directed by City Council. Nothing in this paragraph is intended to limit additional interim evaluations or review or to limit the normal communications process between the City Council and Employee.

6. INDEMNIFICATION. Except as otherwise permitted, provided, limited or required by law, including without limitation California Government Code Sections 825, 995, and 995.2 through 995.8, City will defend and pay any costs and judgments assessed against Employee arising out of an act or omission by Employee occurring in the course and scope of Employee's performance of his duties under this Agreement. However, in the event City provides funds for legal criminal defense pursuant to this section and terms of the Government Code, Employee shall reimburse City for such legal criminal defense funds if Employee is convicted of a crime involving an abuse of office or position, as provided by Government Code Sections 53243 – 53243.4.

7. AT-WILL EMPLOYMENT RELATIONSHIP.

A. Consistent with the Moorpark Municipal Code Section 2.12.010 and California Government Code Section 36506, Employee is appointed by and serves at the pleasure of the City Council. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employer to terminate this Agreement and the employment of Employee, with or without cause. Employee has no right to appeal the termination. Employer shall pay Employee for all services through the effective date of termination and Employee shall have no right to any additional compensation or payment, except as provided under Section 8 (Severance), below.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign from his employment with Employer, subject only to Employee providing sixty (60) calendar days prior written notice to Employer. The City Council may agree to waive some or all of the notice period.

8. SEVERANCE.

A. If Employer terminates this Agreement (thereby terminating Employee's Employment), without cause, Employer shall pay Employee a lump sum severance benefit in accord with the following schedule, and contingent upon Employee signing a separation agreement and release of claims against City:

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

(1) An amount equal to three (3) months of his then applicable base salary if terminated without cause within one (1) year of the Effective Date, through and including June 28, 2026.

(2) An amount equal to six (6) months of his then applicable base salary if terminated without cause from and following the one (1) year anniversary of the Effective Date (June 28, 2026), and during which this Agreement remains in effect.

B. If Employer terminates this Agreement (thereby terminating Employee's Employment), with cause, Employee shall not be entitled to any severance. As used in this Agreement, cause shall mean termination due to:

(1) A conviction or a plea bargain, judgment or adverse determination by any court, the State Attorney General, a grand jury, or the California Fair Political Practices Commission for any felony, intentional tort, crime of moral turpitude or violation of any statute or law constituting forfeiture of office, misconduct in office, misuse of public funds or conflict of interest;

(2) A conviction of a misdemeanor arising out of Employee's duties under this Agreement and involving a willful or intentional violation of law;

(3) A continued willful abandonment of duties;

(4) A pattern of repeated, willful and intentional failure to carry out materially significant and legally constituted policy decisions of the City Council made by the City Council as a body, or persistent and willful violation of properly established rules and procedures;

(5) Employee is found to have committed an unethical act involving personal gain resulting in expulsion from the International City/County Management Association; and

(6) Any other action or inaction by Employee that materially and substantially impedes or disrupts the performance of City or its organizational units, or is detrimental to employee safety or public safety.

C. If Employee terminates this Agreement (thereby terminating Employee's Employment), Employee shall not be entitled to any severance.

D. Upon any separation from employment, Employee will be compensated for all accrued but unused annual leave and administrative leave.

E. Any other term of this Agreement notwithstanding, the maximum severance that Employee may receive under this Agreement shall not exceed the limitations provided in Government Code Sections 53260 – 53264, or other applicable law. Further, in the event Employee is convicted of a crime involving an abuse of office or position,

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

Employee shall reimburse City for any paid leave or cash settlement (including severance), as provided by Government Code Sections 53243 – 53243.4.

9. PROPRIETARY AND CONFIDENTIAL INFORMATION. Proprietary Information" is all information and any idea pertaining in any manner to the business of City (or City affiliate), its employees, clients, consultants, or business associates, which was produced by any other employee of City in the course of his/her employment or otherwise produced or acquired by or on behalf of City. Proprietary Information shall include, without limitation, trade secrets, product ideas, inventions, processes, formulae, data, know-how, software and other computer programs, copyrightable material, marketing plans, strategies, sales, financial reports, forecasts, and customer lists. All Proprietary Information not generally known outside of City's organization, and all Proprietary Information so known only through improper means, shall be deemed "Confidential Information." During his employment by City, Employee shall use Proprietary Information, and shall disclose Confidential Information, only for the benefit of City and as is or may be necessary to perform his job responsibilities under this Agreement. Following termination of employment, Employee shall not use any Proprietary Information and shall not disclose any Confidential Information without the express written consent of City, except where such information is properly obtained by means available to the public and not as a result of employment, or where such information is legally mandated. Employee agrees to not make use, either directly or indirectly, of City's Confidential Information for his personal benefit or for the benefit of any other person, firm, corporation, agency or other entity. Employee further agrees to not disclose such Confidential Information in any form or medium and will not reveal, disclose, identify, or otherwise provide City's Confidential Information to any other person, firm, corporation, or other agency or entity, including the general public, directly or indirectly. Employee's obligations under this Section shall survive the termination of his employment and the expiration of this Agreement. Consent for use or disclosure, when required, is at the discretion of the City Council or a City Official to which the City Council has delegated authority.

10. INTEGRATION OF AGREEMENT. This Agreement is intended to be the final, complete, and exclusive statement of the terms of Employee's employment by Employer. This Agreement contains the entire agreement between Employer and Employee regarding the subject matter hereof, and supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of Employee, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. The foregoing notwithstanding, Employee acknowledges that, except as expressly provided in this Agreement, his employment is subject to City's generally applicable rules and policies pertaining to employment matters, such as those addressing equal employment opportunity, sexual harassment and violence in the workplace.

11. METHOD OF AMENDMENT. No amendments to this Agreement may be made except in writing, signed and dated by City and Employee.

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

12. NOTICES. Any notice to City under this Agreement shall be given in writing to City, either by personal service or by registered or certified mail, postage prepaid, addressed to the City Clerk at City's then principal place of business. A courtesy copy shall be given to the City Attorney in a like manner. Any such notice to Employee shall be given in a like manner and, if mailed, shall be addressed to Employee at his home address then shown in City's files. For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given (a) on the date of delivery, if served personally on the party to whom notice is to be given, or (b) on the third calendar day after mailing, if mailed to the party to whom the notice is to be given in the manner provided in this section. Actual notice will be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

13. GENERAL PROVISIONS.

A. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

B. This Agreement shall be governed by and construed in accordance with the laws of the State of California, and any action filed in any court for the interpretation, enforcement or other action of the terms, conditions or covenants referred to herein shall be filed in the applicable court in Ventura County, California.

C. Employee acknowledges that he has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement. Employee acknowledges that he has made an independent judgment upon the financial and legal effects of this Agreement and has not relied upon any representation of City, its officers, agents or employees other than those expressly set forth in this Agreement.

Docusign Envelope ID: 224331A0-BFEA-4323-A7CD-4E38751A27EC

WITNESS WHEREOF, the parties have caused this Agreement to be signed and executed personally or on its behalf by its duly authorized representative on the date first listed above.

EMPLOYEE:

Signed by:
PJ Gagajena
0C0284B5AD5A4D6...
Pannie "PJ" Gagajena

CITY OF MOORPARK:

Signed by:
Chris Enegren
1F864A20DE57477...
Chris R. Enegren, Mayor

ATTEST:

DocuSigned by:
Ky Spangler
F44E50031849478...
Ky Spangler, City Clerk