

EMPLOYMENT AGREEMENT BETWEEN CITY OF MANHATTAN BEACH

This Employment Agreement (“Agreement”) shall be effective as of January 20, 2026, by and between the City of Manhattan Beach, a California municipal corporation, (“City”) and Joseph DeFrancesco, an individual (“Employee”). (Referred to individually as a “party” and collectively as “parties”).

RECITALS

- A. Employer has a vacancy in the position of Public Works Director since July 4, 2025, creating an immediate need for an individual to assume the duties of this position.
- B. City contracted an executive search firm in July 2025 to lead the recruitment efforts for Public Works Director and has been actively recruiting for the permanent appointment of the Public Works Director since the vacancy was created. As the first open search did not yield a successful candidate, City desires to secure the specialized services of a suitably qualified person to serve as Interim Public Works Director on a temporary, interim basis while City continues the partnership with the executive search firm to permanently fill the position of Public Works Director.
- C. The Interim Public Works Director appointment is an appointment to a position of a limited duration and one requiring specialized skills. It is a temporary, provisional appointment, pending the recruitment, selection and appointment of a successor Public Works Director or earlier termination as determined by the City Manager.
- D. Employee possesses the specialized skills necessary to serve as Interim Public Works Director as a result of a long and distinguished career in Public Works and municipal administration.
- E. The City desires to have Employee serve as Interim Public Works Director and Employee desires to accept employment as Interim Public Works Director.
- F. Employee is a retired person under the California Public Employees’ Retirement System (“PERS”) and desires to retain his retirement status and benefits. The Public Employees’ Retirement Law (“PERL”), commencing at Government Code Section 20000, permits a retired person under PERS to serve in otherwise covered employment without reinstatement from retirement and without loss or interruption of retirement benefits, provided certain conditions exist and, including but not limited to all employment with PERS member agencies for the retired person does not exceed 960 hours total in any fiscal year. City and Employee desire to structure the employment to take advantage of this provision, pursuant to the authority in Government Code Sections 7522.56 and 21221(h).

- G. 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 from January 20, 2026 ("Effective Date") to the earlier of the date on which (a) a duly appointed person assumes the duties of the position of Public Works Director, (b) Employee reaches 960 hours of service as a retired annuitant in a fiscal year for all PERS covered employers, or (c) December 31, 2026. Employee shall only be appointed once to this vacant position and shall not be eligible for reappointment or for an extension of the specified term.

2. **DUTIES AND AUTHORITY.** Employee shall, on an interim basis, exercise the full powers and perform the duties of the position of Public Works Director of the City of Manhattan Beach, as set forth in the Manhattan Beach Municipal Code; personnel and departmental rules, regulations and procedures; the applicable job description and under state law, as each of them currently or may in the future exist.

3. **EMPLOYEE'S OBLIGATIONS.** Employee shall devote his best efforts to the performance of this Agreement and to the promotion of 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 or presents a reasonable likelihood that Employee will be required by State law to recuse himself from discussions or decisions regarding City business.

4. **WAGE RATE.**

A. **Base Wage.** Consistent with applicable provisions of California retirement law, the compensation paid to Employee will not be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, as listed on a publicly available pay schedule for the vacant position of Public Works Director. The monthly salary range of \$15,817 to \$20,613 will be divided by 173.333 to equal an hourly rate. City shall pay Employee for all hours actually worked at the hourly rate of \$118.92, subject to legally permissible or required withholding, paid on City's normal paydays. Employee agrees to accurately track and report all hours worked. Employee acknowledges that he cannot volunteer hours of work to Employer while an employee.

B. **No Employment Benefits.** Employee acknowledges that he will not be eligible for and shall not receive any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to the hourly rate, except as expressly required by law. The parties acknowledge that Employee is not eligible for California paid sick leave pursuant to the exemption in Labor Code § 245.5(a)(4).

(1) No Group Medical and Dental Insurance. Employee acknowledges that he (including his dependents) will not be eligible for any health and welfare benefits and group insurance provided through his City employment, including, without limitation, medical, life, dental, optical, and disability coverage. However, nothing in this Agreement is intended to interfere with retiree health insurance coverage available to Employee as a retired City of Orange employee.

(2) No Retirement Plan. Employee shall remain a retired person under PERS and shall not be eligible to participate under the PERS Plan applicable to other employees of City. As a retired annuitant and to the extent provided by law, Employee will not be subject to mandatory social security coverage.

(3) 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. To be eligible for reimbursement, all expenses must be supported by documentation meeting City's normal requirements and must be submitted within the time limits established by City.

(4) Bonding. City shall bear the full costs of any fidelity or other bonds required of Employee under any law or ordinance by virtue of his employment as Interim Public Works Director.

5. **APPOINTMENT.** As an interim appointment, Employee's appointment is temporary and provisional, qualifying only for the compensation provided under this Agreement and ineligible for benefits applicable to regular executive appointments, except as otherwise provided in this Agreement.

6. **INDEMNIFICATION.** City will defend and indemnify Employee, using legal counsel of City's choosing, against legal liability for acts or omissions by Employee occurring in the course and scope of employment under this Agreement, in accord with California Government Code Sections 825, 995, and 995.2 – 995.8 and other applicable provisions of California law. In the event independent counsel is required for Employee, City may select and will pay the reasonable fees of such independent counsel.

7. **AT-WILL EMPLOYMENT RELATIONSHIP.** Consistent with Manhattan Beach Municipal Code § 2.040.070 and City rules and procedures, the City Manager shall be appointing authority for Employee and Employee is employed at the pleasure of the City Manager. Either the City Manager or Employee may terminate this Agreement and the employment relationship at any time with or without notice, cause or reason. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Manager to terminate the employment of Employee. Employee may terminate this Agreement and the employment relationship upon 30 calendar days' written notice.

8. **NO SEVERANCE.** City shall pay Employee for all services through the effective date of termination and Employee shall receive no other compensation or payment or any severance. Since Employee is not eligible for paid leave, payment for unused leave time will not be applicable.

9. **INTEGRATION OF AGREEMENT.** This Agreement contains the entire Agreement between the parties and supersedes all prior oral and written agreements, understandings, commitments, and practices between the parties concerning Employee's employment as Interim Public Works Director. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or written, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding on either party.

10. **METHOD OF AMENDMENT.** No amendments to this Agreement may be made except by a writing signed and dated by the parties.

11. **NOTICES.** Any notice to Employer under this Agreement shall be given in writing to Employer, either by personal service, by mail (which may include USPS, FedEx, or UPS) to the City Manager's Office in City Hall, or by email to the City Manager's official work email address. Any such notice to Employee shall be given in writing by personal service, mail (which may include USPS, FedEx, or UPS), or by email to Employee's official work email address and last known personal email address. This correspondence shall be addressed to Employee at Employee's home address or email address then shown in Employer's files maintained by the Human Resources Department. 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, or emailed to, 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.

12. **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 sets forth the final, complete and exclusive agreement between City and Employee relating to the employment of Employee by City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. 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.

C. This Agreement shall be interpreted and construed pursuant to and in accordance with the local laws of the State of California and all applicable City Codes, Ordinances and Resolutions.

D. 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.

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

EMPLOYEE

Signed by:  1/5/2026
JOSEPH DEFRANCESCO

CITY

CITY OF MANHATTAN BEACH,
A California Municipal Corporation

By: _____
TALYN MIRZAKHANIAN, City Manager
City of Manhattan Beach, California

ATTEST:

_____(Seal)
LIZA TAMURA
City Clerk

APPROVED AS TO FORM:

QUINN M. BARROW
City Attorney