

CONTRACT OF EMPLOYMENT OF
EXECUTIVE DIRECTOR OF
PALM SPRINGS INTERNATIONAL AIRPORT
CITY OF PALM SPRINGS

THIS CONTRACT is made and entered into, to become effective on June 1, 2007, by and between the City of Palm Springs, a municipal corporation ("City") and Thomas Nolan, an individual, both of whom understand as follows:

A. City desires to contract for services of Thomas Nolan as Executive Director of the Palm Springs International Airport for the City of Palm Springs ("Executive Director").

B. it is the desire of the City to secure the services of an Executive Director of the Palm Springs International Airport and to provide certain benefits, establish conditions of employment and set working conditions for the Executive Director of the Palm Springs international Airport.

C. Thomas Nolan desires to perform the duties of the Executive Director for the Palm Springs International Airport.

NOW, THEREFORE, in consideration of mutual covenants contained in this Agreement, the parties agree as follows:

Section 1: Duties.

1.1 City hereby employs Thomas Nolan as Executive Director to perform Executive Director functions and duties as specified in the City of Palm Springs Job Classification, City Charter, Palm Springs Municipal Code, and Government Code of the State of California, as applicable, and to perform such other legally permissible and proper duties and functions as the City Manager shall assign.

1.2 Unless otherwise directed by the City Manager, the services of Executive Director shall be performed at the Palm Springs International Airport Terminal and/or City Hall, provided, however, that City may require Executive Director to travel temporarily to other locations to perform services for or on behalf of City.

1.3 Thomas Nolan will, to the best of his ability and experience, loyally and conscientiously perform all of the duties and obligations required of Executive Director, either expressly or implicitly according to the terms of this Contract.

Section 2: Compensation and General Provision for Benefits

2.1 City agrees to pay Executive Director an annual base salary within Salary Range 83, as may be amended from time to time. Executive Director's initial salary shall be \$153,672.00 payable in installments at the same time that the other executive management employees of City are paid.

2.2 Executive Director shall be entitled to the same benefits as other executive management employees, including any annual adjustments to salary, on the same terms and conditions applicable to all other executive management employees, consistent with the provisions of Section 3 of Council Resolution 21284, as may be amended from time to time.

Section 3: Term of Employment.

3.1 Executive Director shall commence service as Executive Director on or before July 31, 2007 ("Commencement Date"), and shall continue to serve until this Agreement is terminated as provided in this Section.

3.2 Either the City Manager or Executive Director may terminate this Contract at any time without advance notice, for any reason, no reason, with or without cause, and in their sole discretion.

3.3 In the event the City Manager terminates this Contract as provided in Section 3.2, Executive Director shall have no right to an appeal or grievance procedure, and the Parties acknowledge the applicability of Section 500 of the Palm Springs City Charter that Executive Director serves at the pleasure of the City Manager. In consideration therefore, and except as provided in Section 3.4 below, upon termination pursuant to this Section 3.3 during the first five (5) years after the Commencement Date or the date upon which Executive Director first vests for retirement benefits under the California Public Employees Retirement System ("Vesting Date"), whichever event occurs last, City shall pay Executive Director severance pay in an amount equal to twelve (12) months of his then current salary. Upon and after the fifth anniversary of the Commencement Date or the Vesting Date, whichever event occurs last, City shall pay Executive Director severance pay in an amount equal to six (6) months of his then current salary upon termination pursuant to this Section 3.3.

3.4 Notwithstanding Section 3.3, City Manager may terminate Executive Director, without payment of severance pay, upon the occurrence of the following:

- A. Conviction of a felony or misdemeanor involving moral turpitude; or
- B. A determination by a court of competent jurisdiction, or the State of California Fair Political Practices Commission, that Executive Director knowingly and unlawfully participated in a government decision in which he had a conflict of interest, as defined in California Government Code Sections 871000 et seq., or California Government Code Sections 1090 et seq.; or
- C. Voluntary termination of Contract by Executive Director; or
- D. Gross misconduct, malfeasance, or gross negligence in the performance of his duties under this contract.

Section 4: Other Benefits.

4.1 Automobile. The Executive Director shall be provided with an automobile allowance at Four Hundred and Fifty Dollars (\$450.00) per month.

4.2 Relocation Expenses. City recognizes that certain expenses related to Executive Director's relocation are appropriate and desirable in order to secure his timely relocation and ability to assume his responsibilities at the earliest feasible date. The City will reimburse Executive Director for up to \$4,000.00 to cover the reasonable costs of the Executive Director's travel, hotel expense, and transportation costs, in making trips from his current residence in Kansas to Palm Springs as part of his efforts to timely affect his relocation and secure temporary and/or permanent housing. The City will reimburse Executive Director for up to four months of temporary housing costs, in an amount not to exceed \$10,000.00. In addition, the City will pay Executive Director's actual moving costs in an amount equal to the lowest of three estimates Executive Director shall secure and submit to the City Manager for review.

Section 5: Performance Evaluation.

5.1 At least once annually, the City Manager and Executive Director shall mutually define such goals and performance objectives which they determine necessary for the proper operation of the Palm Springs International Airport in the attainment of City policy objectives. Further, the City Manager and the Executive Director shall establish a relative priority among those various goals and objectives to be reduced to writing with a mutual expectation of Executive Director's achievement of those goals and objectives within a mutually agreed upon timeframe. The evaluations shall be conducted and completed at such time as the City Manager may determine.

5.2 This annual review and evaluation shall be conducted in accordance with criteria established by the City Manager. Such criteria may be added to or deleted as the City Manager may from time to time determine is appropriate.

5.3 In his sole discretion, the City Manager shall be entitled to review the performance of Executive Director on a more frequent basis, and such evaluation may be written or verbal.

Section 6: Construction and Amendment. This Contract shall be governed by the laws of the State of California. This Contract may not be modified, altered, or amended except in writing and signed by the City and the Executive Director.

Section 7: Recitals. The Recitals above are hereby incorporated into this section as though fully set forth herein and each party acknowledges and agrees that such Party is bound, for purposes of this Contract, by the same.

Section 8: Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested or sent by electronic transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by electronic transmission. Any notice, request, demand, direction, or other communication sent by electronic

transmission must be confirmed within forty-eight (48) hours by letter mailed or delivered. Notices or other communications shall be addressed as follows:

IF TO CITY:

City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA
Attention: City Manager

IF TO EXECUTIVE DIRECTOR:

To address on file with the City's Director of
Human Resources

Either Party may, by written notice to the other, designate a different address, which shall be substituted for that specified above.

Section 9: Miscellaneous.

9.1 Outside Employment. Executive Director shall devote his entire productive time, ability, and attention to the business of the City during the term of this Agreement, unless otherwise approved by the City Manager.

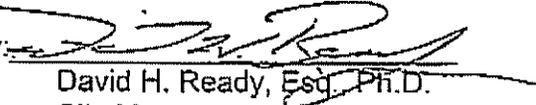
9.2 Authority to Enter Into Contracts. It is expressly agreed that Executive Director shall have no right or authority at any time to make any contract or binding promise of any nature on behalf of the City, whether oral or written, without the express written consent of, as appropriate, the City Manager or the City Council.

9.3 Integration. This Contract supersedes any and all other Contracts and understandings, either oral or in writing, between City and Executive Director with respect to the employment of Executive Director by City. Each party to this Contract expressly acknowledges that no representation, inducement, promise, or contract, orally or otherwise, have been made by any party, or any person acting on behalf of any party, which is not embodied herein, and that no other Contract, statement, representation, or promise not contained in this Contract shall be of any force or effect.

9.4 City's Policies and Procedures. The terms and conditions of Executive Director's employment, including employment benefits of Executive Director not specifically provided for in this Contract of Employment, shall also be governed by City's Personnel Policies and Procedures, as amended from time to time, to the extent not inconsistent with the provisions of this Contract. In the event of any such inconsistency or conflict, the provisions of this Contract shall govern.

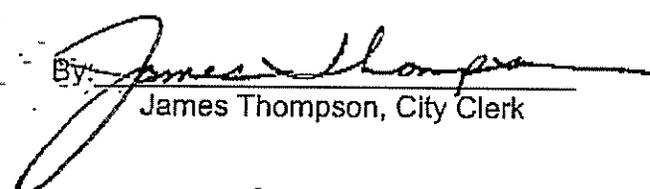
9.5 Medical Examination. In the event the Executive Director does not pass his pre-employment medical examination with the City prior to the Commencement Date, this Agreement shall be null and void and the City's obligations under this Agreement shall not become operative or enforceable against the City.

CITY OF PALM SPRINGS

By: 

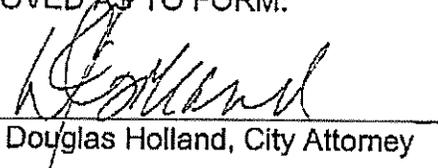
David H. Ready, Esq. Ph.D.
City Manager

ATTEST:

By: 

James Thompson, City Clerk

APPROVED AS TO FORM:

By: 

Douglas Holland, City Attorney

APPROVED BY CITY COUNCIL

06/06/2007 MD8050

A5490

THOMAS NOLAN

