



**TO:** Mayor and Councilmembers

**SUBMITTED BY:** Isaac Rosen, Acting City Attorney

**SUBJECT:** Proposed First Amendment to City Manager Employment Agreement

**RECOMMENDATION:**

Adopt Resolution No. 25-\_\_ entitled, "A Resolution of the City Council of the City of Goleta, California, Approving the First Amendment to the Employment Agreement Between the City of Goleta and Robert Nisbet" following an oral report by the Acting City Attorney summarizing the salaries, salary schedules or compensation paid in the form of fringe benefits, consistent with the Brown Act.

**BACKGROUND:**

Following a performance evaluation and annual review of City Manager Robert Nisbet, held during properly agendized City Council closed sessions, and concluding on December 3, 2024, the City Council determined that Mr. Nisbet received a satisfactory performance evaluation. That performance evaluation entitled Mr. Nisbet to a 3.1% cost of living adjustment consistent with his existing July 19, 2022, Employment Agreement between the City of Goleta and Robert Nisbet ("2022 Employment Agreement"). The City Council also provided direction, based on that satisfactory performance evaluation, to negotiate and bring forward a First Amendment to that 2022 Employment Agreement ("First Amendment"), that would grant Mr. Nisbet a merit increase to his base salary.

**DISCUSSION:**

With the adoption of the resolution included as Attachment 1, the City Council will formally approve that merit increase to Mr. Nisbet's base salary as set forth in the First Amendment. The only change to the existing 2022 Employment Agreement under the First Amendment is to increase Mr. Nisbet's base salary amount to Three Hundred and Thirty-Two Thousand, and Eighty-One Dollars and Thirty-Six Cents (\$332,081.36), which amounts to One Hundred and Fifty-Nine Dollars and Sixty-Five Cents (\$159.65) per hour.

That First Amendment would thus increase Mr. Nisbet's current hourly rate from \$147.70 to \$159.65. That hourly rate is reflective of two prior cost of living increases, effective

September 2023 and September 2024, respectively, that have been adopted following the original 2022 Employment Agreement's effective date.

The attached First Amendment is to be considered by the City Council in open session and approved by formal action, following an oral report by the Acting City Attorney pursuant to the Brown Act, Government Code Section 54953. That oral report must summarize the salaries, salary schedules or compensation paid in the form of fringe benefits. The only change to the existing 2022 Employment Agreement as contemplated by the First Amendment is an increase in Mr. Nisbet's base salary. All other existing provisions from the 2022 Employment Agreement remain in effect, including fringe benefits. If approved, the effective date of the First Amendment would be January 25, 2025, consistent with the City's pay periods.

**FISCAL IMPACTS:**

The proposed salary increase will result in an estimated total cost of approximately \$11,900 in the current fiscal year and \$28,400 annually thereafter. There is sufficient funding available in the current fiscal year's budget to absorb this increase; therefore, no additional budget appropriation is required at this time. Future fiscal year budgets will be adjusted as needed to account for the ongoing cost of this adjustment.

**ALTERNATIVES:**

The Council may choose not to approve the proposed First Amendment, and to provide alternate direction to staff. In that instance, the existing July 19, 2022 Employment Agreement for the City Manager remains in effect.

**LEGAL REVIEW BY:** Isaac Rosen, Acting City Attorney

**ATTACHMENTS:**

1. "A Resolution of the City Council of the City of Goleta, California, Approving the First Amendment to the Employment Agreement Between the City of Goleta and Robert Nisbet"
2. Proposed First Amendment to Employment Agreement between the City of Goleta and Robert Nisbet
3. July 19, 2022 Employment Agreement between the City of Goleta and Robert Nisbet

**ATTACHMENT 1:**

"A Resolution of the City Council of the City of Goleta, California, Approving the First Amendment to the Employment Agreement Between the City of Goleta and Robert Nisbet"

**RESOLUTION NO. 25-XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE EMPLOYMENT AGREEMENT BETWEEN THE CITY OF GOLETA AND ROBERT NISBET**

**WHEREAS**, the City Council completed a performance evaluation and annual review of City Manager Robert Nisbet, held during properly agendized City Council closed sessions, and concluding on December 3, 2024; and

**WHEREAS**, the City Council determined that Mr. Nisbet received a satisfactory performance evaluation, and provided direction to negotiate and bring forward a First Amendment to Mr. Nisbet’s existing July 19, 2022 Employment Agreement between the City of Goleta and Robert Nisbet (“2022 Employment Agreement”); and

**WHEREAS**, the City Council received an oral report by the Acting City Attorney summarizing the salaries, salary schedules or compensation paid in the form of fringe benefits consistent with the Brown Act, Government Code Section 54953, before taking formal action on the First Amendment; and

**WHEREAS**, pursuant to Government Code Section 36506, the City Council is required to establish the compensation of the City Manager by Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLETA, AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are true and correct and incorporated herein by this reference.

**SECTION 2.** The City Council hereby approves and authorizes the Mayor to execute the First Amendment to the 2022 Employment Agreement, which agreement is attached hereto as Exhibit 1 and is incorporated herein by reference, with an effective date of January 25, 2025.

**SECTION 3.** The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**PASSED, APPROVED AND ADOPTED** this 21st day of January 2025.

\_\_\_\_\_  
PAULA PEROTTE, MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
DEBORAH S. LOPEZ  
CITY CLERK

\_\_\_\_\_  
ISAAC ROSEN  
ACTING CITY ATTORNEY

STATE OF CALIFORNIA            )  
COUNTY OF SANTA BARBARA    )     ss.  
CITY OF GOLETA                 )

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, DO  
HEREBY CERTIFY that the foregoing Resolution No. 25-\_\_ was duly adopted  
by the City Council of the City of Goleta at a regular meeting held on the \_\_ day  
of \_\_\_\_\_, 2025 by the following vote of the Council:

AYES:

NOES:

ABSENT:

(SEAL)

\_\_\_\_\_  
DEBORAH S. LOPEZ  
CITY CLERK

**ATTACHMENT 2 :**

Proposed First Amendment to Employment Agreement between the City of  
Goleta and Robert Nisbet

**FIRST AMENDMENT TO EMPLOYMENT AGREEMENT  
BETWEEN  
THE CITY OF GOLETA AND ROBERT NISBET**

This First Amendment to Employment Agreement (“First Amendment”) is made and entered into effective as of the \_\_\_\_ day of January, 2025, by and between the CITY OF GOLETA, a general law city and municipal corporation (“City”), and ROBERT NISBET, an individual (“Nisbet,” and collectively with the City, the “Parties”) both of whom understand as follows:

A. City and Nisbet entered into an Employment Agreement effective July 19, 2022 (“Agreement”) by which City employed Nisbet as City Manager of the City of Goleta, as provided by the Goleta Municipal Code;

B. Section 14 of the Agreement provides that the City Council shall annually conduct a review and evaluate Nisbet in his role of City Manager;

C. The City Council conducted an annual review and evaluation of Nisbet in his role of City Manager on December 3, 2024, and determined that Nisbet should receive a satisfactory performance evaluation;

D. Based on the satisfactory performance evaluation, pursuant to section 5(b) of the Agreement, Nisbet’s base salary was increased with an annual cost of living adjustment in the amount of his 3.1%, retroactive to the anniversary date of the Agreement; and

E. Further based on the satisfactory performance evaluation, pursuant to section 5(c) of the Agreement, the City Council made the determination to grant Nisbet a merit increase to his base salary.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the Parties agree as follows:

1. Section 5 of the Agreement, entitled **Compensation**, shall be hereby amended and modified to provide the following:

a. **Base Salary**. City agrees to pay Nisbet for the services required by this Agreement a base salary of Three Hundred and Thirty-Two Thousand, and Eighty-One Dollars and Thirty-Six Cents (\$332,081.36) annually, which amounts to One Hundred and Fifty-Nine Dollars and Sixty-Five Cents (\$159.65) per hour, payable in equal installments at the same time as other employees of the City are paid.

2. Except as modified in this First Amendment, the Agreement shall remain in full force and effect.



IN WITNESS HEREOF, the City and Nisbet have executed this Agreement on the day and year first written above.

**EMPLOYEE**

\_\_\_\_\_  
ROBERT NISBET

**CITY OF GOLETA**

By: \_\_\_\_\_  
PAULA PEROTTE, MAYOR

ATTEST:

\_\_\_\_\_  
DEBORAH LOPEZ, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
ISAAC ROSEN, ACTING CITY ATTORNEY

EXHIBIT A  
EMPLOYMENT AGREEMENT  
BETWEEN  
THE CITY OF GOLETA AND ROBERT NISBET (“AGREEMENT”)

**ATTACHMENT 3:**

July 19, 2022 Employment Agreement between the City of Goleta and Robert Nisbet

**EMPLOYMENT AGREEMENT  
BETWEEN  
THE CITY OF GOLETA AND ROBERT NISBET**

THIS EMPLOYMENT AGREEMENT (“**Agreement**”) is made and entered into effective as of the 19th day of July 2022, by and between the CITY OF GOLETA, a general law city and municipal corporation (“**City**”), and ROBERT NISBET, an individual (“**Nisbet**,” and collectively with the City, the “**Parties**”), both of whom understand as follows:

**RECITALS**

A. City desires to engage the services of Nisbet, and Nisbet desires to accept employment, as City Manager of the City of Goleta, as provided by the Goleta Municipal Code;

B. It is the desire of the City Council to (1) secure and retain the services of Nisbet and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring Nisbet’s morale and peace of mind with respect to future security, and (3) to provide a means of terminating Nisbet’s services if City so desires to terminate his employ;

C. Nisbet desires to accept employment, on an at-will basis, as the City Manager of the City; and

D. The Parties further desire to establish certain benefits and certain conditions of Nisbet’s employment.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the Parties agree as follows:

**1. Employment.**

a. Duties. The City hereby agrees to employ Nisbet as City Manager of the City to perform the functions and duties specified in City’s Municipal Code and the Government Code of the State of California, and Nisbet agrees to accept such employment. Nisbet shall perform all duties and responsibilities imposed by law and industry standards, and such legally permissible further and proper duties and functions as the City Council may from time to time assign. Nisbet shall hold office at the pleasure of the City Council, and shall be the administrative head of the government of the City

under the direction and control of the City Council except as otherwise provided in the Municipal Code.

b. Work Efforts and Schedule. Nisbet shall devote such time, interest, and effort to the performance of his duties as may be reasonably necessary to fulfill the requirements set forth in Section 1.a. Nisbet agrees to perform such services to the best of his ability, in an efficient and competent manner consistent with the standards of the profession. Due to the nature of the City Manager position, it is understood that flexibility is required for Nisbet’s work schedule, including without limitation the need for remote work and to modify his schedule within reason to adjust for attendance at meetings at night and during other times outside of ordinary business hours, at Nisbet’s reasonable discretion. Without limiting the generality of the foregoing, Nisbet understands and agrees that the position is an exempt, salaried, full-time position which may involve expenditures of time in excess of forty (40) hours per week, and will also include time outside normal office hours, such as attendance at City Council and other meetings. Nisbet shall be exempt from paid overtime compensation and from Fair Labor Standard Act work hours restrictions. For purposes of this Section, “normal office hours” shall refer to work at City Hall when it is open for business, as determined by the City Council.

c. Outside Professional Activities. Due to the nature of the City Manager position, it is understood Nisbet shall not consult or engage in other non-City connected business or employment (aside from community volunteer activities) without the prior knowledge and express approval of the City Council. Nisbet may, however, undertake limited outside activities, including (a) volunteer professional development activities, including activities on behalf of organizations like the League of California Cities and City Manager associations; (b) volunteer activities; (c) teaching, subject to City Council approval; and/or (d) other related activities, provided that such activities do not in any way interfere, conflict with or adversely affect his employment as City Manager or the performance of his duties as provide herein.

**2. Term.**

a. Commencement and Term. This Agreement shall be effective as of July 19, 2022; however, Nisbet shall commence service as City Manager

on September 1, 2022 (September 1 shall hereinafter be referred to as the “**Anniversary Date**”) through August 31, 2025 (“**Term**”), unless terminated as provided in Section 3 herein. Notwithstanding that Nisbet’s services as City Manager shall commence on September 1, 2022, Nisbet may utilize the necessary portion of his Management Leave, as described in Section 8(c), for September 1 and 2, 2022, and understands that Nisbet will report to City Hall on September 6, 2022, to commence his duties as City Manager; provided, however, in the event of an emergency occurring in or impacting the City on September 1 and/or 2, Nisbet shall cancel his use of Management Leave for those days and report to City Hall immediately.

b. Renewal. Commencing on each Anniversary Date in 2025 and each year thereafter, this Agreement shall automatically renew for one additional year (each automatic one-year renewal shall be considered an extension of the Term), unless prior thereto, either (1) the Parties agree to enter into a formal, written amendment to mutually extend the Term of this Agreement for greater than a one-year period, or (2) the City Council notifies Nisbet of its intent not to extend the Agreement for one additional year; provided, however, that in the event the City Council desires not to allow the automatic renewal of the Term of the Agreement, the City shall inform City Manager, in writing, no less than 90 days prior to the end of the Term, as may have been from time to time extended.

**3. Termination, Resignation, and Severance Pay.**

a. At-Will. Nisbet’s employment with the City is on an at-will basis. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate, by a majority vote of the City Council, the services of Nisbet without cause, at any time and without notice other than a duly noticed City Council meeting agenda, and complying with Section 3(d) of this Agreement and the Goleta Municipal Code. Notwithstanding the foregoing, Nisbet may not be terminated under this provision for at-will termination by the City within ninety (90) days following the swearing of councilmembers after a City General Municipal Election where one or more Council seats are contested on the ballot of such election (the “**Election Cool-off Period**”). For the avoidance of doubt, the City Council’s decision to not renew, or notice of non-renewal of, the Agreement, as set forth in Section 2(b), above, or a termination

“for cause,” as set forth in Section 3(c), below, during the Election Cool-off Period does not constitute a termination for purposes of this Section 3(a).

b. Resignation. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Nisbet to resign from their position, subject only to Nisbet providing sixty (60) days’ prior written notice to the City. Nisbet’s resignation shall be deemed accepted upon delivery of a written resignation to the City Council. Notwithstanding the foregoing, Nisbet hereby expresses his intent to remain as City Manager for a period of not less than three (3) years from the date of execution of this Agreement.

c. For Cause Termination. Notwithstanding the provisions of Section 3(a), City may terminate this Agreement "for cause" as defined below. In the event Nisbet is terminated by the City for “cause,” then City may terminate this Agreement immediately and Nisbet shall not be entitled to severance and will only be entitled to the compensation accrued up to the date of such termination. Cause for termination shall be defined for purposes of this Agreement as: (1) Conviction of any felony; (2) conviction of a misdemeanor arising directly out of the City Manager's duties pursuant to this Agreement involving a willful and intentional violation of law; (3) a crime of moral turpitude; (4) removal from office by the Grand Jury; (5) willful abandonment of duties; (6) malfeasance; (7) gross negligence; (8) fraud; or (9) serious misconduct, substantiated through an independent investigation (e.g., sexual harassment, discrimination), which would constitute a violation of City policy, or state or federal law. (Conviction for purposes of this Agreement includes a judgment entered after a trial, plea of guilty, or plea of nolo contendere.

d. Severance. In the event Nisbet is terminated by the City Council at any time that Nisbet is still willing and able to perform the duties of City Manager, and the termination is without “cause” (i.e., an “at will” termination), as defined in Section 3(a), above, then, subject to the limitations set forth in Government Code Section 53260, the City shall pay Nisbet a lump sum cash payment settlement equal to six (6) months’ base pay (as defined in Section 5, below) (“**Severance**”), exclusive of incentive or bonus pay, benefits and other non-cash remuneration, except health benefits which will be continued, at the same level of City contribution provided Department head

level employees (and at the same coverage election as at the time of termination), for the same period as the severance or until Nisbet begins other employment, whichever occurs first. To receive Severance, Nisbet must execute and delivery to the City a Settlement Agreement and General Release, in a form satisfactory to the City, within 30 days of the termination date. In the event Nisbet elects not to sign the Settlement Agreement and General Release, Nisbet will not be entitled to Severance. The word “termination” in this paragraph shall include a reduction in salary (other than an across-the-board reduction applicable to all senior level employees) or other financial benefits of Nisbet or Nisbet’s resignation, if preceded by a formal request by a majority of the membership of the City Council that he resign. Nisbet will not be entitled to Severance if his employment is terminated by the Council at any time for cause, if Nisbet resigns, retires, cannot perform the essential functions of the position even with reasonable accommodations due to death, a medical condition or disability, or his Agreement is not renewed.

e. Effect of Payment of Severance/Release.

1. It is understood and agreed by the Parties that Nisbet is employed at will, and that upon the City’s full payment of Severance benefits to Nisbet, any right of Nisbet to continued employment with City is terminated. The promise and tender of payment to Nisbet, of any Severance payable herein, is in lieu of any damages which Nisbet might claim arising out of the termination of the employment relationship between the Parties, including lost wages, breach of contract, express or implied, breach of covenant of good faith and fair dealing, emotional distress and anxiety, or any similar contractual and personal injury claims.

2. This Section does not otherwise affect, waive, nor release any other rights Nisbet may have under this Agreement, or applicable law.

f. Abuse of Office. Pursuant to Government Code section 53243, *et seq.*, if Nisbet is convicted of a crime involving an abuse of his office or position, as defined below, all of the following shall apply upon final conviction: (1) if Nisbet is provided with administrative leave pay pending an investigation, he shall be required to fully reimburse such amounts paid; (2) if the City, in its discretion, pays for the criminal legal defense of Nisbet, in his official capacity, Nisbet shall be required to fully reimburse such amounts paid; and (3) if this Agreement is terminated, any cash



settlement related to the termination that Nisbet may receive from the City shall be fully reimbursed to City. For purposes of this Section, “abuse of office or position” means either: (1) an abuse of public authority, including waste, fraud, and violation of the law under color of authority as those crimes are specifically defined under specific provision of California statute; or (2) a crime against public justice, including a crime described in Title 7 commencing with section 92 of the Penal Code or as specifically defined under separate provision of California statute.

g. Survival. This Section will survive termination of the Agreement.

4. **Revolving Door**. Nisbet must comply with Government Code Section 87406.3 for a period of one year after separating from service with City. This section will survive termination of this Agreement.

5. **Compensation**.

a. Base Salary. City agrees to pay Nisbet for the services required by this Agreement a base annual salary of Two Hundred and Ninety-One Thousand Dollars (\$291,000), payable in equal installments at the same time as other employees of the City are paid.

b. Indexed Salary Increases. Subject to completion of a satisfactory performance evaluation, as set forth in Section 14 of this Agreement, the City agrees to increase Nisbet’s base salary with an annual cost of living adjustment (“COLA”) by a percent equivalent to the percent change in the June California Consumer Price Index for Urban Wage Earners and Clerical Workers, as calculated by the Department of Industrial Relations (“**DIR CPI Increase**”), during the preceding 12-month period, up to a maximum of four percent (4%) per year, effective the first pay period following the Anniversary Date, without the need for a separate amendment to this Agreement (“**Automatic COLA Increase**”). In the event the DIR CPI Increase exceeds four percent (4%), the City Council may, but is not obligated, to award a greater COLA increase than the Automatic COLA Increase permitted by this Section; provided, however, that such increase shall require written amendment of this Agreement, approved by the City Council at a regular meeting

c. Other Salary Adjustments. On his Anniversary Date, the City may consider potential increases to Nisbet's salary and/or any other benefits Nisbet receives, and to make modifications in such amounts and to such extent (whether in the nature of a merit increase, bonus, or other compensation enhancement or otherwise) based on performance, comparative salaries, and the finances of the City, as the City Council in its discretion may determine that it is desirable to do so. The City Council may, in its discretion, also determine to give Nisbet exceptional performance recognition in the form of a one-time check for exceptional performance during the prior fiscal year. Any modifications to Nisbet's compensation or benefits as contemplated in this Section 5(c) require written amendment of this Agreement, approved by the City Council at a regular meeting.

6. Automobile. The City agrees that upon proof of insurance coverage in an amount acceptable to the City, the City shall provide Nisbet a monthly vehicle allowance of Seven Hundred Dollars (\$700) per month, which shall be paid in equal installments in each pay period. The vehicle allowance is intended to reimburse Nisbet for mileage costs and the use of his private vehicle for City business. Nisbet must provide his own automobile for his use in performing his duties and is responsible for all maintenance, repair, fuel and insurance expenses for said vehicle. Nisbet agrees to adhere to all laws, regulations, and City policies applicable to vehicles, driving, or traffic when operating his vehicle on City-related business.

7. Technology/Telephone Allowance; Laptop. The City agrees to provide Nisbet a monthly technology/telephone allowance of One Hundred and Fifty Dollars (\$150) per month, which shall be paid in equal installments in each pay period. The technology/telephone allowance is intended to reimburse Nisbet for personal discretionary technological purchases and expenses in furtherance of employment (*e.g.*, cellular phone, tablet, data plan) while conducting City business. Nisbet shall use his personal cellular phone for transaction of City business, and the technology/telephone allowance, in part, shall serve as reimbursement for use of his private phone for business purposes. The City further agrees to furnish Nisbet with a laptop computer for purposes of conducting official City business. Nisbet agrees the use of such laptop computer shall be for conducting City business only and shall not be used for personal purposes.

**8. Leaves, Vacation, and Holidays.**

a. Sick Leave. Sick leave shall accrue at the rate of eight (8) hours per month. Sick leave may be used for personal illness, illness of a dependent, and doctor and dentist appointments or as otherwise provided under California law. Nisbet is entitled to unlimited accumulation of sick leave and may elect to convert sick leave to vacation at separation,, as authorized by the City's Personnel Rules.

b. Vacation Leave. Nisbet shall earn 120 hours of vacation per year. Vacation leave accrues on a biweekly basis. Nisbet may use vacation as it accrues. Vacation accrued by Nisbet and not taken will be paid to Nisbet when separating from City service, calculated at Nisbet's current base hourly rate. Vacation is transferable from one year to the next. Nisbet may accrue a maximum of 320 hours of vacation. Every calendar year, Nisbet may opt to exchange up to 100 hours of unused vacation time for monetary compensation, provided that he has taken at least two weeks of leave in the prior calendar year.

c. Management Leave. Management leave of eighty hours per year is provided for Nisbet to be taken at his discretion, which shall be deemed earned on July 1 of each year. Management Leave not used by June 30 of each year shall not be converted, carried over or cashed out, and shall be eliminated. Management leave will be prorated for partial years' service. Furthermore, Nisbet will not be compensated for any unused Management Leave at the time of separation of employment.

d. Holidays. Nisbet shall be entitled to the same number of paid holidays per year as provided to other City employees.

e. Other Leaves. Nisbet shall be entitled to other leaves as are provided to Department Directors of the City.

**9. Retirement, Insurance, and Other Benefits.**

a. PERS Retirement. The City agrees to execute all necessary agreements to enroll Nisbet in the California Public Employees Retirement System ("CalPERS") commensurate with the standard City employee retirement benefits program, as that program may be changed from time to time. During the term of this Agreement, City shall contribute to employer's portion and Nisbet shall contribute to the

employee's portion of Nisbet's membership in CalPERS. The City does not participate in Social Security for employees enrolled in CalPERS.

b. Deferred Compensation. The City shall fund a 457(b) deferred compensation plan on Nisbet's behalf, payable in equal installments concurrent with employee pay periods, in the amount of Eight Thousand dollars (\$8,000) per year. The City shall pay reasonable fees to create such a plan for Nisbet.

c. Medical and Other Insurance.

1. The City shall provide health (medical, dental and vision) benefits to Nisbet as commensurate with the standard department head employee health benefits. In lieu of selecting to use the City-provided health benefit coverage, Nisbet may elect a cash flex benefit at the amount set for other department head level employees within the City, as set forth in the City's Personnel Rules and which may be from time-to-time amended, which shall be provided in equal installments concurrent with employee pay periods.

2. City shall provide Nisbet with a term life insurance policy in the face amount equal to one year's base salary, as set forth in Section 5(a). City shall further pay the premium for long-term disability insurance, as provided to other department head level employees within the City.

d. Other Insurance. City shall provide and pay for all other insurance mandated by State law.

e. Other Benefits. Nisbet shall receive the same fringe benefits provided to other department head level employees, as set forth in the Personnel Rules, and as may be from time to time amended, unless specifically amended by this Agreement.

**10. Moving and Relocation Expenses.** Nisbet shall be entitled to reimbursement of reasonable relocation and moving expenses upon submission of receipts to the City, up to a gross amount of Ten Thousand Dollars (\$10,000), for the purpose of, amongst other things, actual moving expenses, rental and travel reimbursements, including lodging, airfare, car rentals, and meals to and from Goleta in connection with house hunting and relocation.

**11. Professional Development.** The City hereby agrees to budget for and pay travel and subsistence expenses of Nisbet for professional travel, official travel, meetings necessary to pursue official and other functions for the City and to continue professional development of Nisbet, to the extent deemed reasonable by the City Council. The City also agrees to pay for the travel and subsistence expenses of Nisbet for short courses, institutes and seminars that are necessary for his professional development and for the good of the City.

**12. Memberships.** The City agrees to pay Nisbet's membership dues and subscriptions in the International City/County Management Association ("ICMA"), League of California Cities, California City Managers Foundation and other similar organizations to which the City is a member, at City expense with prior City approval. Nisbet shall have a reasonable right to attend meetings of such organizations.

**13. General Expenses.** The City recognizes that certain extraordinary expenses of a non-personal and job-affiliated nature may be incurred by Nisbet, such as a business-related lunch or certain expenses incurred at a conference of a professional organization of which Nisbet is a member. The City agrees to reimburse Nisbet for reasonable expenses which are submitted to the City Council within thirty (30) days of occurrence for approval and which are supported by expense receipts, statements or personal affidavits, and an audit thereof in like manner as other demands against the City. For the avoidance of doubt, this paragraph is intended to apply to business expenses that Nisbet himself directly incurs in performance of his job duties.

**14. Performance Evaluation.** The City Council shall conduct a "mini" review and evaluate the performance of Nisbet at the first regular meeting that is 90 days from the commencement of his job as City Manager. At least annually thereafter, the City Council shall conduct a review and evaluate the performance of Nisbet in his role as City Manager. The City Council shall provide Nisbet with an evaluation of his performance based on criteria established by the City Council with Nisbet's assistance. Nisbet shall be provided an adequate opportunity to discuss his evaluation with the Council. The evaluations are expected to take place in the two months prior to the Anniversary date, or at any other time requested by Nisbet. Notwithstanding the foregoing, the City Council may evaluate Nisbet at any time.

**15. Indemnification.** In accordance with and consistent with applicable law, the City shall provide Nisbet with a defense and indemnification, and shall hold Nisbet harmless from and against any and all claims, actions, or causes of action of any kind for which Nisbet may be held liable and which arise out of or relate to Nisbet's performance of his job duties at City, in accordance with the requirements of the California Government Code. In addition and in accordance with and consistent with applicable law, the City shall defend, at the City's expense and with counsel of the City's choosing any action, claim, or proceeding in which Nisbet is named and which alleges actions on the part of Nisbet, or failures to act, within the scope of the above-referenced indemnity obligation. Notwithstanding the foregoing, any funds provided for the legal criminal defense of Nisbet, if such were authorized, shall be fully reimbursed to the City if Nisbet is convicted of a crime involving an abuse of his office or position, in accordance with Government Code section 53243.1. This Section will survive the termination of the Agreement.

**16. Bonding.** The City shall bear the full cost of any fidelity or other bonds required of Nisbet, acting as City Manager of the City, under any law or ordinance.

**17. Other Terms and Conditions of Employment.** All provisions of the City Municipal Code and regulations and rules of City relating to vacation and sick leave, retirement and pension system contributions, life insurance, holidays and other fringe benefits and working conditions as they now exist, or thereafter may be amended, which apply to department head level City employees, except as otherwise set forth herein, shall also apply to Nisbet.

**18. Notices.** Notices given under this Agreement shall be in writing and shall be served personally or sent by Federal Express or some equivalent private overnight delivery service. Notices shall be deemed received at the earlier of actual receipt or two (2) days following transmission to an overnight carrier.

**City**

Attn: City Council  
City of Goleta  
130 Cremona Drive, Suite B  
Goleta, CA 93117

With a copy to:

Megan K. Garibaldi  
City Attorney  
c/o Best, Best & Krieger LLP  
18101 Von Karman Ave., Unit 1000  
Irvine, CA 92612

**Nisbet**

Robert Nisbet  
City of Goleta  
130 Cremona Drive, Suite B  
Goleta, CA 93117

Or to the address on file with the City's Human  
Resource Department

**19. General Provisions.**

a. The text herein shall constitute the entire agreement between the Parties. No representations have been made or relied upon except as set forth herein. The Agreement is deemed to have been prepared by all of the Parties hereto, and any uncertainty or ambiguity herein shall not be interpreted against the drafter, but rather, if such ambiguity or uncertainty exists, shall be interpreted according to the applicable rules of interpretation of contracts under the law of the State of California. The use of section headings in this Agreement is provided for convenience only and will not have any impact on the interpretation of particular provisions.

b. If Nisbet dies or becomes incapacitated during the Term of this Agreement, any accrued and unpaid wages provided by the terms of this Agreement shall be paid by City to Nisbet's spouse or if no spouse, to Nisbet's dependents. The Agreement shall be binding upon, or shall inure to the benefit of, the respective heirs, executors, administrators, successors and assigns of the Parties; provided, however, that Nisbet may not assign Nisbet's obligations hereunder.

c. If any provision or portion hereof contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this

Agreement or portion thereof shall be deemed severable and shall not be affected and shall remain in full force and effect.

d. This Agreement may be changed or amended only by the mutual written consent of the City and Nisbet.

e. Nisbet is expected to conform to the ICMA Code of Ethics and must comply with all applicable provisions of the City's conflict of interest code.

f. This Agreement shall be construed in accordance with the laws of the State of California and the parties agree that venue shall be in the state court in the County of Santa Barbara, California.

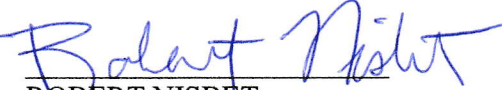
g. Nisbet acknowledges that he has had the opportunity to consult legal counsel in regard to this Agreement, that he has read and understands this Agreement, that he is fully aware of its legal effect, and that he has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in the Agreement.

*{Remainder of page intentionally left blank; signatures to follow}*

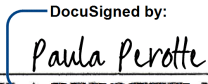


IN WITNESS WHEREOF, the City and Nisbet have executed this Agreement as of the day and year first above written.

**EMPLOYEE**

  
ROBERT NISBET

**CITY OF GOLETA**

By:   
PAULA PEROTTE, MAYOR

**ATTEST:**

  
DEBORAH LOPEZ, CITY CLERK

**APPROVED AS TO FORM:**

  
MEGAN GARIBALDI, CITY ATTORNEY