

EMPLOYMENT AGREEMENT
FOR THE FIRE CHIEF OF THE
MENLO PARK FIRE PROTECTION DISTRICT

THIS AGREEMENT is made and entered into as of December 21, 2021, by and between the Menlo Park Fire Protection District (“District”), a public agency, and Mark Lorenzen (“Mr. Lorenzen”).

RECITALS

WHEREAS, the District desires to employ Mr. Lorenzen as Fire Chief of the District; and

WHEREAS, Mr. Lorenzen desires to accept the position of Fire Chief pursuant to the terms and conditions set forth in this Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the District hereby appoints Mr. Lorenzen to serve as Fire Chief, and Mr. Lorenzen agrees to serve in this capacity, under the following terms and conditions:

1. TERM OF EMPLOYMENT

1.1 Term. The District hereby appoints Mr. Lorenzen to serve as Fire Chief commencing on February 7, 2022, and Mr. Lorenzen agrees to serve in this capacity through June 30, 2025 unless otherwise extended by written agreement of the parties (the "Term"). This Agreement may be terminated before its expiration as set forth below in Article 6. Mr. Lorenzen is an at-will employee who serves at the pleasure of the District’s Board of Directors (“Board”).

2. DUTIES OF MR. LORENZEN

2.1 Description of Services as Fire Chief. Mr. Lorenzen will perform all services, acts, functions, and duties necessary or advisable to manage and conduct the affairs of the District as provided in the District's enabling statutes, codified at California Health and Safety Code Section 13800, et. seq. as said statutes now exist or as they may be amended from time to time, and as directed or authorized by the Board. The Fire Chief position is exempt from overtime requirements within the meaning of federal and California wage and hour laws, is an at-will management position, and will not accrue any contractual employment rights or due process rights except as may be provided in this Agreement.

2.2 Devotion of Time. Mr. Lorenzen agrees to devote his full time, and best efforts and abilities to performing the duties and responsibilities as provided herein or as assigned to Mr. Lorenzen from time to time by the Board. Mr. Lorenzen will determine his own work schedule, provided that he must devote such time, effort, ability, and attention to the business of the District during the Term as may be required to perform faithfully and fully the duties of Fire Chief. Mr. Lorenzen may not accept employment by any person or any other entity while

employed as Fire Chief. Nor may Mr. Lorenzen, whether as an employee, employer, consultant, agent, principal, planner, stockholder, corporate officer, director, or any other individual or representative capacity, engage or participate in any business that is in competition with, or in conflict in any manner whatsoever with, the business, projects, or official positions of the District.

2.3 Authority as Fire Chief. Mr. Lorenzen will be responsible and have full authority for the management of the affairs of the District and the supervision and management of its employees, subject to the applicable provisions of state and federal law, the rules and policies of the District, and the direction of the Board.

The Fire Chief's duties and relations with the Board are more specifically described in the District's Board of Directors' Policy and Procedures Manual, as may be amended by the Board from time to time.

3. COMPENSATION

3.1 Annual Base Salary. Mr. Lorenzen's compensation will consist of an annual base salary of \$320,000. The District will pay Mr. Lorenzen in installments at the same time and the same manner as the District's other management employees are paid.

3.2 Performance Review. The Board will conduct a performance review and evaluate Mr. Lorenzen's performance at least once per year. It is the expectation of the parties that the Board will schedule the first performance review between three-six months of the commencement of Mr. Lorenzen's employment. Thereafter, performance reviews will be scheduled so as to align with the District's fiscal year. Mr. Lorenzen is responsible for causing his performance review to be scheduled in accordance with this paragraph. Mr. Lorenzen's annual base salary may be subject to an increase based upon such evaluation of his performance of his duties and obligations as the Board, may, in its sole discretion, reasonably determine, predicated upon performance that achieves any goals and criteria that may have been established by the Board.

4. EMPLOYEE BENEFITS

4.1 General Provisions. Except as otherwise modified by this Article 4, the District will provide Mr. Lorenzen the same benefits provided to other Chief Officers of the District as set forth in the Chief Officers Unrepresented Personnel Compensation Plan, as may be amended from time to time ("Compensation Plan"), subject to the terms and conditions of any applicable District policies. To the extent future changes are made in the Compensation Plan in the coverages provided or employee contributions required, the benefits received by Mr. Lorenzen will be subject to those changes.

4.2 Relocation Expenses. The District will reimburse Mr. Lorenzen his actual and reasonable expenses incurred as a result of moving to the District, up to a maximum amount of \$20,000. Such relocation expenses may include temporary housing costs.

4.3 Housing Allowance. So long as Mr. Lorenzen resides within the District boundaries, the District will pay Mr. Lorenzen a stipend of \$2,000 per month. Mr. Lorenzen will be responsible for any income tax or any other taxes resulting from such allowance.

4.4 Retirement. Based on Mr. Lorenzen's pre-January 1, 2013 employment with the County of Ventura and membership in the Ventura County Employees' Retirement Association, Mr. Lorenzen will be afforded pension benefits as a "legacy" or "classic" member under the District's CalPERS retirement formula available to employees first employed by the District on or before December 31, 2012 ("Safety Pension Group A"), at the level of 3% at age 50. Pursuant to the Compensation Plan, Mr. Lorenzen will pay the full 9% employee contribution for his CalPERS pension benefit. The District will make its full employer contribution to CalPERS.

4.5 Paid Time Off. Mr. Lorenzen will receive paid time off ("PTO") in accordance with the Compensation Plan, subject to the following. At commencement of his appointment as Fire Chief, Mr. Lorenzen will be credited with 80 hours of PTO. Thereafter, Mr. Lorenzen will accrue PTO at the maximum rate set forth in the Compensation Plan, presently set at 372 hours annually. Mr. Lorenzen will be subject to all limitations on PTO accrual set forth in the Compensation Plan, including but not limited to the 720 hour limit on total PTO accrual.

5. OTHER OBLIGATIONS OF THE DISTRICT

5.1 Office. The District agrees to provide Mr. Lorenzen with a suitable office and computer equipment, cell phone, supplies, and such other facilities and services commensurate with the Fire Chief's position in order to facilitate the performance of his duties.

5.2 Vehicle. During the Term of this Agreement, the District will provide Mr. Lorenzen with a suitable District-owned vehicle for Mr. Lorenzen's general business use and to enable Mr. Lorenzen to respond to calls requiring his attention. Mr. Lorenzen's use of the vehicle is subject to District Policy 704, provided that Mr. Lorenzen may use the vehicle for incidental personal use only and the vehicle may not be used for personal travel while on leave or for travel for personal purposes outside the San Francisco Bay Area.

5.3 Business and Professional Development Expense Reimbursement. During the Term of this Agreement, upon submission of an itemized account in accordance with such guidelines as may be established from time to time by the District, Mr. Lorenzen will be entitled to reimbursement for (a) all reasonable, out-of-pocket business expenses incurred in connection with the discharge of his duties and responsibilities arising under this Agreement, and (b) reasonable expenses for professional development activities associated with local, state, and national fire and emergency services issues and concerns so long as such participation does not interfere with Mr. Lorenzen's primary responsibilities under this Agreement. Without limiting the generality of the previous sentence, the District agrees to budget for and to pay for membership fees and dues, as well as the travel, meals, accommodations, registration, and other expenses of Mr. Lorenzen for conferences, seminars, and such other occasions as are reasonably necessary for Mr. Lorenzen to fulfill his duties as Fire Chief of the District, and to further Mr. Lorenzen's professional growth and advancement. Such expenses must be appropriately documented and approved in accordance with District policies.

6. TERMINATION AND SEVERANCE PAY

6.1 Termination Upon Notice By Either Party. Mr. Lorenzen is an at-will employee who serves at the pleasure of the Board. Except as limited by the other paragraphs of this Article 6, nothing in this Agreement will prevent or otherwise interfere with the right of the District or Mr. Lorenzen to terminate this Agreement at any time and for any reason upon sixty (60) days' notice. Mr. Lorenzen will be entitled to receive at termination all compensation and benefits earned through the date of termination plus all benefits accrued and payable under District policy. No other compensation, payment or benefits of any kind will be provided by the District upon termination of Mr. Lorenzen's employment with the District except as otherwise provided in Section 6.2.

6.2 Severance Pay Upon Termination by the District Other Than For Cause. In the event that the District terminates Mr. Lorenzen's employment without cause during the Term of this Agreement, the District will pay Mr. Lorenzen a single lump sum payment equivalent to three months of compensation based on Mr. Lorenzen's then current base salary in effect at the time of termination, subject to the limitations of California Government Code section 53260 which provides as follows: "regardless of the term of the contract, if the contract is terminated, the maximum cash settlement that an employee may receive shall be an amount equal to the monthly salary of the employee multiplied by the number of months left on the unexpired term of the contract. However, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18." The payment of such severance pay is subject to Mr. Lorenzen's execution and delivery of a full and complete waiver and release of all known and known claims against the District. To receive the severance pay, Mr. Lorenzen must sign and return the waiver and release within sixty (60) days of the date the District sends it to him. In accordance with California Government Code section 53243.2, any cash settlement related to the termination that Mr. Lorenzen may receive from the District must be fully reimbursed to the District if Mr. Lorenzen is convicted of a crime involving an abuse of his office or position with the District.

6.3 Termination for Cause. The District reserves the right to terminate the employment relationship for cause effective immediately upon written notice to Mr. Lorenzen. No compensation or benefits will be paid to Mr. Lorenzen after the effective date of termination for cause. Mr. Lorenzen's rights under any applicable benefit plans will be determined under the provisions of those plans. "For cause" is defined as the following:

- a. willful breach of duties, obligations or policies of the District;
- b. continued neglect of duties or obligations required of the Fire Chief after written notice of same;
- c. continued violation of written rules and policies of the Board after written notice of same;
- d. commission of any criminal act amounting to a felony while employed as Fire Chief;

e. commission of any dishonest act in a public or private capacity such as theft, fraud, misappropriation or embezzlement of funds;

f. engagement in acts of disruption or violence or any other activity which would constitute grounds for immediate dismissal of any employee by the District under existing policies or as may be subsequently enacted.

6.4 Termination Due to Disability. If Mr. Lorenzen is permanently disabled and is unable to perform the essential functions of his duties with reasonable accommodations, because of sickness, accident, injury, mental incapacity, or health condition not within the scope of the Labor Code section 4850, for a period of four consecutive months, the District in its sole discretion will have the option to terminate Mr. Lorenzen's services under this Agreement without severance pay. Concurrently, the District will engage in discussions with Mr. Lorenzen regarding any other possible/alternative District employment.

7. DISPUTE RESOLUTION

7.1 The District and Mr. Lorenzen intend to resolve all disputes under this Agreement to the best of their abilities in an informal manner, including by mediation if agreed to by both the District and Mr. Lorenzen. If the District and Mr. Lorenzen are unable to resolve a dispute informally, all controversies, claims, or disputes with anyone arising out of, relating to, or resulting from Mr. Lorenzen's employment relationship with District or the termination of such relationship with District, including any breach of this agreement, will be subject to binding arbitration under the arbitration provisions set forth in California Code of Civil Procedure sections 1280 through 1294.2 (the "act") and pursuant to California law. The Federal Arbitration Act will also apply with full force and effect notwithstanding the application of procedural rules set forth in the act. Disputes which the parties agree to arbitrate, and thereby agree to waive any right to a trial by jury, include any statutory claims under local, state, or federal law.

7.2 Procedure. The parties agree that any arbitration will be administered by Judicial Arbitration & Mediation Services, Inc. ("JAMS") pursuant to its employment arbitration rules & procedures (the "JAMS rules"), which are available at <http://www.jamsadr.com/rules-employment-arbitration/>. The parties agree that the arbitrator will have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication and motions to dismiss and demurrers, applying the standards set forth under the California Code of Civil Procedure. The parties agree that the arbitrator must issue a written decision on the merits. The parties also agree that the arbitrator will have the power to award any remedies available under applicable law, and that the arbitrator may award attorneys' fees and costs to the prevailing party where provided by applicable law. The parties agree that the decree or award rendered by the arbitrator may be entered as a final and binding judgment in any court having jurisdiction thereof. The parties agree that the arbitrator will administer and conduct any arbitration in accordance with California law, including the California Code of Civil Procedure and the California Evidence Code, and that the arbitrator will apply substantive and procedural California law to any dispute or claim, without reference to rules of conflict of law. To the extent that the JAMS rules conflict with California law, California law takes precedence. The parties

further agree that any arbitration under this agreement shall be conducted in San Mateo County, California.

7.3 Remedy. Arbitration shall be the sole, exclusive, and final remedy for any dispute between Mr. Lorenzen and District. Accordingly, except as provided for by law and this agreement, neither party will be permitted to pursue court action regarding claims that are subject to arbitration.

7.4 Availability of Injunctive Relief. In accordance with rule 1281.8 of the California Code of Civil Procedure, the parties agree that any party may also petition the court for injunctive relief where either party alleges or claims a violation of any agreement regarding intellectual property, confidential information or noninterference. In the event either party seeks injunctive relief, the prevailing party is entitled to recover reasonable costs and attorneys' fees.

7.5 Administrative Relief. The parties understand that this agreement does not prohibit Mr. Lorenzen from pursuing an administrative claim with a local, state or federal administrative body or government agency such as the Department of Fair Employment and Housing, the Equal Employment Opportunity Commission, or the workers' compensation board. This Agreement does, however, preclude Mr. Lorenzen from pursuing court action regarding any such claim, except as permitted by law.

7.6 Voluntary Nature of Agreement. Mr. Lorenzen acknowledges and agrees that he is executing this Agreement voluntarily and without any duress or undue influence by the District or anyone else. Mr. Lorenzen further acknowledges and agrees that he has carefully read this Agreement and that he has asked any questions needed for him to understand the terms, consequences and binding effect of this Agreement and fully understand it, including that he is waiving its right to a jury trial. Finally, he agrees that he has been provided an opportunity to seek the advice of an attorney of his choice before signing this Agreement. If Mr. Lorenzen does not initial the below, this Section 7 shall not be in effect during the Employment Term.

Initials: _____

The duties and obligations imposed by this Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

8. GENERAL PROVISIONS

8.1 Notices. Any notices to be given hereunder by either party to the other may be effected either by email, personal delivery, or by certified mail, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses indicated below or as changed by written notice delivered in accordance with this Article. Notices delivered by email or personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated as of three (3) business days after mailing.

To the District: c/o Hanson Bridgett LLP
425 Market Street, 26th Floor

San Francisco, CA 94105
Attention: Steven Miller, General Counsel
smiller@hansonbridgett.com;

To Mr. Lorenzen: c/o Menlo Park Fire Protection District
170 Middlefield Rd.
Menlo Park, CA 94025
mlorenzen@menlofire.org

8.2 Other Terms and Conditions of Employment. The Board will fix any other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Fire Chief, provided such terms and conditions are not inconsistent with provisions of this Agreement or law.

8.3 Provisions Severable. If any provision of this Agreement is held to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

8.4 Headings. The headings used in connection with this Agreement are for reference purposes only and shall not be construed as part of this Agreement.

8.5 Construction. This Agreement will be governed by and construed in accordance with the laws of the State of California.

8.6 Waiver of Breach. The waiver by the District of a breach of any provision of this Agreement by Mr. Lorenzen will not operate or be construed as a waiver of a subsequent breach by Mr. Lorenzen.

8.7 Entire Agreement. This Agreement is the full, final and complete agreement between the parties with respect to the employment by the District of Mr. Lorenzen as its Fire Chief. Both parties to this Agreement acknowledge that no representations, inducements, promises or agreements, oral or otherwise, have been made which are not embodied herein and that no other agreement, statement or promise not contained in this Agreement will be valid or binding. Any modification of this Agreement will be effective only if in writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first indicated above.

MENLO PARK FIRE PROTECTION
DISTRICT

By: _____

Mark Lorenzen

By: _____

James McLaughlin
President, Board of Directors