

**AGREEMENT OF EMPLOYMENT BETWEEN  
THE CITY OF HERCULES AND MICHAEL ROBERTS**

This Agreement of Employment (“**Agreement**”) is entered into effective on the 24th day of June, 2026 (the “**Effective Date**”), by and between the City of Hercules, a California municipal corporation, and the City of Hercules as Successor to the Redevelopment Agency, hereinafter collectively referred to as the “**City**,” and Michael Roberts, hereinafter referred to as the “**Interim Public Works Director/City Engineer**,” and collectively the “**Parties**.”

**RECITALS**

**WHEREAS**, the City desires to appoint an Interim Public Works Director/City Engineer to serve on a limited term basis, as it conducts a recruitment for a permanent Public Works Director/City Engineer; and

**WHEREAS**, pursuant to Government Code sections 7522.56(c) and 21221(h), the City finds that specialized knowledge, skills, and training are necessary to render the services necessary to do the work contemplated under this Agreement; and

**WHEREAS**, the City has determined that Michael Roberts, a California Public Employees’ Retirement System (CalPERS) retiree, is qualified by his training and experience to render such services; and

**WHEREAS**, Michael Roberts desires to provide such services; and

**WHEREAS**, the public interest will be served by this Agreement.

**NOW, THEREFORE**, the Parties hereto do mutually agree as follows:

**Section 1. Duties**

The City agrees to employ Michael Roberts to serve as Interim Public Works Director/City Engineer of the City of Hercules and to perform the functions and duties of the Public Works Director/City Engineer as prescribed by the City of Hercules Municipal Code, applicable resolutions, policies, and administrative regulations, as they may be amended from time to time. The Interim Public Works Director/City Engineer shall also perform such other legally permissible and appropriate duties as may be assigned by the Interim City Manager. The Interim Public Works Director/City Engineer agrees that, to the best of his ability and experience, he will faithfully and conscientiously perform all duties and obligations required by this Agreement and the position.

**Section 2. Term**

Subject to earlier termination as provided for in this Agreement, the Interim Public Works Director/City Engineer shall be appointed by the City to perform the duties described in Section 1 above for a period commencing on June 24, 2026, and continuing until the earliest of: (1) the appointment of a permanent Public Works Director/City Engineer; (2) termination of this Agreement pursuant to Section 4; or (3) one year from the Effective Date.

### **Section 3. At-Will**

During the term of this Agreement, Interim Public Works Director/City Engineer understands and acknowledges that he is an at-will employee of the City and therefore may be terminated by the City without cause in accordance with the termination provision set forth in Section 4 below.

### **Section 4. Termination**

Termination By City. The City may terminate this Agreement at any time, with or without cause, upon 14 days' written notice to the Interim Public Works Director/City Engineer.

A. Termination By Interim Public Works Director/City Engineer or Expiration of Term. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Interim Public Works Director/City Engineer to resign at any time from his position, provided however, he shall endeavor to give at least 14 days' prior written notice to the City.

B. In no event shall Interim Public Works Director/City Engineer continue to perform services for the City under this Agreement beyond the Agreement's expiration, as set out in Section 2 above.

### **Section 5. Salary**

The City agrees to pay the Interim Public Works Director/City Engineer for services rendered at an hourly rate of \$126.1683 per hour. Compensation shall be paid in installments at the same time as other employees of the City are paid. The Interim Public Works Director/City Engineer is expected to work approximately thirty-eight (38) hours per week, subject to operational needs and the limitations applicable to retired annuitants under the California Public Employees' Retirement System.

Consistent with Government Code sections 21221(h) and 7522.56(d), this hourly rate is not less than the minimum nor greater than the maximum monthly base salary paid to other employees performing comparable duties as listed on the City's publicly available salary schedule for the Public Works Director/City Engineer classification, divided by 173.333.

### **Section 6. Sick Leave, Holidays and Vacation; Public Employees Retirement System**

The Interim Public Works Director/City Engineer acknowledges and agrees that during the term of this Agreement, he will not accrue nor be entitled to vacation, sick, or administrative leave. Nor shall he accrue retirement, pension system contributions or health care benefits, including coverage under the California Public Employee Retirement System, or other fringe benefits provided to City employees. The Interim Public Works Director/City Engineer recognizes that Government Code section 21221(h) provides that a retired person appointed to a vacant position pursuant to that subdivision may not receive any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to the hourly rate.

### **Section 7. Business Expenses**

The City agrees to budget and allocate sufficient funds to pay for City-related business expenses of the Interim Public Works Director/City Engineer. This shall include, but not necessarily be limited to, Interim Public Works Director/City Engineer's necessary travel expenses

while representing the City for such official meetings and/or travel as are reasonably necessary for the Interim Public Works Director/City Engineer to carry out his professional responsibilities.

**Section 8. Indemnification**

Except as set forth in Paragraphs 13 and 14 below, the City shall defend, hold harmless and indemnify the Interim Public Works Director/City Engineer against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring during the course and scope of the performance of the Interim Public Works Director/City Engineer's duties.

**Section 9. Bonding**

The City shall bear the full cost of any fidelity or other bonds required of the Interim Public Works Director/City Engineer under any law or ordinance.

**Section 10. Abuse of Office**

If the City provides (i) paid leave salary to the Interim Public Works Director/City Engineer pending an investigation, or (ii) funds for the legal criminal defense of the Interim Public Works Director/City Engineer, then in the event the Interim Public Works Director/City Engineer is convicted of a crime involving an abuse of his office or position as defined in California Government Code Section 53243.4, all such sums paid by the City to the Interim Public Works Director/City Engineer or for the Public Works Director/City Engineer's benefit shall be fully reimbursed to the City by the Interim Public Works Director/City Engineer.

**Section 11. Certification Regarding Prior Unemployment Benefits**

In accordance with Government Code section 7522.56(e)(1), the Interim Public Works Director/City Engineer certifies and warrants to the City that he has not received any unemployment insurance payments for retired annuitant work for any public employer within the twelve months prior to his appointment date under this Agreement.

**Section 12. Adequate Retirement Period**

In accordance with Government Code section 7522.56(f), the Interim Public Works Director/City Engineer warrants to City that a period of 180 days or more has passed since the date of his most recent retirement with CalPERS.

**Section 13. Effect of Agreement on CalPERS Retirement Benefits**

The City makes no representation on the impact, if any, this Agreement shall or may have upon the Interim Public Works Director/City Engineer's CalPERS retirement benefits, status, duties and/or obligations. The Interim Public Works Director/City Engineer acknowledges that in entering into this Agreement, he has not relied upon any such representations in assessing the CalPERS-related impact of his employment. Therefore, the Interim Public Works Director/City Engineer releases the City from any and all CalPERS-related claims or liabilities that may arise in connection with his employment pursuant to this Agreement.

#### **Section 14. Work Restrictions**

Due to his status as a CalPERS retiree, the Interim Public Works Director/City Engineer may not work more than 960 hours for all public agencies contracting with CalPERS within the fiscal year(s) occurring during the term of this Agreement without impacting his retirement benefits and having to be reinstated in CalPERS as an active employee. Accordingly, under no circumstances may the Interim Public Works Director/City Engineer work more than 960 hours during any fiscal year, defined as the period beginning July 1st and ending June 30th of each year, including any service to other CalPERS employers. The Interim Public Works Director/City Engineer shall keep accurate time records of his hours worked to ensure that he does not exceed 960 hours within any fiscal year that occurs during the term of this Agreement and for payroll purposes. The Interim Public Works Director/City Engineer further represents that he will not perform work for any other public agency member of CalPERS during the term of this Agreement. If a controversy arises between the Interim Public Works Director/City Engineer and CalPERS regarding the impact of this Agreement and the services provided for herein on the nature of CalPERS retirement terms or benefits, the City shall have no obligation to intervene in or to defend or prosecute such dispute.

#### **Section 15. Other Terms and Conditions of Employment**

The City Council, in consultation with the Interim Public Works Director/City Engineer, shall fix any such other terms and conditions of employment as it may determine from time to time, relating to the performance of the Interim Public Works Director/City Engineer, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, City ordinances, or any other law.

#### **Section 16. No Reduction of Salary**

The City shall not, at any time during the term of this Agreement, unilaterally reduce the salary of the Interim Public Works Director/City Engineer.

#### **Section 17. Notices**

Notices pursuant to Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid. Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice, or as the Parties may agree in writing. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

#### **Section 18. Mediation**

The Parties agree that, if a dispute arises between them that in any way relates to this Agreement, the terms of this Agreement, or the performance by either party under this Agreement, such dispute shall, after the claims procedures that may be applicable under the California Government Tort Claims Act are exhausted, be submitted to mediation. If such dispute proceeds to litigation, each party shall be responsible for their own attorney fees, costs and expenses. The exclusive venue for any legal action taken pursuant to this Agreement shall be the State of California Superior Court for the County of Contra Costa or the United States District Court for the Northern District of California.

**Section 19. Entire Agreement; Modifications**

This Agreement constitutes the complete agreement between the Parties and supersedes any and all other agreements, either oral or in writing, between the Parties with respect to the subject matter of this Agreement. No other agreement, statement or promise relating to the subject matter of this Agreement not contained in this Agreement shall be valid or binding. This Agreement may be modified or amended only by a written document signed by representatives of both Parties with appropriate authorization.

This Agreement is executed by the Parties as of the date noted below and effective as of the Effective Date set forth above.

Approved as to Form:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Christie Crowl, City Attorney

CITY OF HERCULES

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Patrick Tang, Interim City Manager

INTERIM PUBLIC WORKS DIRECTOR/CITY ENGINEER

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Michael Roberts