



Date: September 22, 2026

To: Honorable Mayor and Councilmembers

From: Marti Brown, City Manager
Gretchen Stuhr, City Attorney

Subject: Interim City Manager Appointment

Recommendation:

Appoint Joseph Gorton as Interim City Manager effective Monday, October 19, 2026, and authorize the City Attorney and City Manager to execute an employment agreement (Attachment 1) in an amount not to exceed \$80,000 for FY 2026-27.

Rationale for Recommendation:

On Wednesday, September 16, 2026, the City Manager submitted her resignation to the City Council, necessitating the appointment of an Interim City Manager while the Council conducts a recruitment process to fill the position on a permanent basis.

Background:

Following the City Manager's resignation, the City Council must appoint an Interim City Manager to provide continuity of executive leadership and oversee City operations while the Council conducts a recruitment process for a permanent City Manager.

Joseph Gorton is a retired CalPERS annuitant with prior experience serving as a City Manager and Police Chief. The proposed agreement identifies Mr. Gorton as possessing the specialized skills and experience necessary to serve as Interim City Manager during the recruitment period.

California Government Code Section 21221(h) permits a CalPERS contracting agency to temporarily appoint a retired annuitant with specialized skills to a vacant position while the agency actively recruits for a permanent appointment. Such appointments are subject to specific limitations, including a maximum of 960 hours of employment per fiscal year among all CalPERS employers, restrictions on the hourly rate of compensation, and a prohibition against receiving benefits or other compensation in addition to the authorized hourly rate.

The proposed agreement appoints Mr. Gorton as Interim City Manager effective October 19, 2026. The appointment will continue until the City Council fills the permanent City Manager position or the agreement is otherwise terminated. The agreement automatically expires six months after its effective

date unless extended by written agreement approved by the City Council at a public meeting. Any extension is contingent upon the City continuing its active recruitment for a permanent City Manager and complying with applicable CalPERS requirements.

Discussion & Analysis:

Under the proposed agreement, Mr. Gorton will perform the functions and duties of the Interim City Manager as provided by law, the Willows Municipal Code, and City policies, as well as other duties assigned by the City Council. His responsibilities include administering the affairs of the City, advising the Council, reviewing matters presented for Council consideration, coordinating with the City Attorney, department heads, staff, and consultants, and implementing Council-established policies and priorities.

The agreement also specifically recognizes the City's ongoing transition of municipal law enforcement services and reestablishment of the Willows Police Department. Mr. Gorton will be responsible for advising the City Council and implementing Council-approved measures associated with that transition. His previous experience as both a City Manager and Police Chief provides specialized experience relevant to this significant City initiative.

Mr. Gorton will be compensated at an hourly rate of **\$82.97**, consistent with the hourly equivalent of the City Council-adopted salary for the City Manager position. As a retired CalPERS annuitant, he may not work more than 960 hours during a fiscal year among all CalPERS employers. As a result, the contract will not exceed \$80,000 during FY 2026-27 assuming he uses all 960 hours.

Additionally, Mr. Gorton will not receive vacation, sick leave, administrative leave, health benefits, or other benefits or compensation in lieu of benefits. The City will reimburse reasonable job-related business expenses; however, mileage associated with commuting and housing expenses will not be reimbursed.

The agreement provides flexibility for Mr. Gorton to establish his work schedule and work location, including working onsite at City Hall or remotely, provided that he performs his responsibilities to the satisfaction of the City Council. The agreement also permits outside employment or business activities provided they do not create a conflict of interest or interfere with his ability to devote the required time to his Interim City Manager responsibilities.

Mr. Gorton will serve as an at-will employee at the pleasure of the City Council. The Council may terminate the agreement with cause at any time without notice or without cause upon the notice provided in the agreement. Likewise, Mr. Gorton may resign subject to the agreement's notice provisions. No severance payment is provided upon termination.

Appointment of an Interim City Manager will provide continuity of executive management during the recruitment and selection of a permanent City Manager. Accordingly, staff recommend that the City Council appoint Joseph Gorton as Interim City Manager effective October 19, 2026, and authorize execution of the proposed Interim City Manager Employment Agreement.

Fiscal Impact:

Appointment of Joseph Gorton as Interim City Manager of the City of Willows will not exceed \$80,000 for FY 2026-27.

Attachment:

- Attachment 1: Interim City Manager Draft Agreement

INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

This **INTERIM CITY MANAGER EMPLOYMENT AGREEMENT ("Agreement")** is made and entered into as of October 19, 2026, by and between the CITY OF WILLOWS, a municipal corporation, hereinafter called "City" and JOSEPH GORTON, an individual and retired PERS annuitant, hereinafter called "Employee," collectively referred to as "Parties," both of whom agree as follows:

RECITALS:

WHEREAS, the City desires to retain the services of Employee, a retired PERS annuitant, for appointment as its Interim City Manager while the City undertakes the recruitment process to hire a permanent replacement for the vacant city manager position; and

WHEREAS, Employee possesses the necessary, specialized skill-set to perform the Interim City Manager role and has significant experience as a past City Manager and Police Chief, making him well-qualified to serve in this capacity; and

WHEREAS, the City Council, in a public meeting held on ____ (date), certified the nature of Employee's appointment, finding that the appointment is necessary to fill the critically needed position of the City Manager during the recruitment process for a permanent appointment, and that appointment meets the requirements of Government Code section 7522.56(d)

WHEREAS, Section 21221(h) of the California Government Code authorizes the employment of a retired annuitant, as a person with specialized skills needed to fill a vacant position during recruitment for a permanent appointment, provided, that (1) the appointment(s) of the retired annuitant do not exceed a combined total of 960 hours per fiscal year, (2) the compensation does not exceed the maximum monthly base salary paid to other employees performing comparable duties based on an hourly rate, and (3) the retired annuitant does not receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate; and

WHEREAS, the Parties desire to enter into this Agreement to acknowledge the City Council's appointment of Employee as Interim City Manager effective October 19, 2026, to retain the services of Employee, a retired PERS annuitant, as its Interim City Manager while the permanent position is vacant through the recruitment process; and

WHEREAS, Employee desires to accept the appointment and the employment as the City's Interim City Manager subject to the limitations of Section 21221(h) and pursuant to the terms and conditions of this Agreement.

AGREEMENT:

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

I. Recitals Incorporated.

The Recitals set forth above are hereby incorporated into this Agreement by this reference.

II. Agreement to the Agreement to Account for Interim City Manager Appointment.

The City and Employee agree and acknowledge Employee's appointment as Interim City Manager in accordance with the following terms:

1. POSITION; DUTIES; HOURS; DIRECTION; ACTIVITIES; PERIOD OF EMPLOYMENT; COMPENSATION; STATUS OF EMPLOYMENT AS A PERS ANNUITANT.

1.1 Term of Position. The City hereby appoints Employee as the Interim City Manager ("ICM") of City starting on October 19, 2026, at 12:01 a.m. ("**Effective Date**"), and Employee accepts such employment and agrees to perform the functions and duties of ICM for the City as provided by law and as they may be assigned by the City Council. The term of this ICM appointment shall continue until the City Council fills the vacancy for the permanent City Manager position, unless sooner terminated pursuant to Paragraph 7 below of the Agreement. Additionally, pursuant to Government Code section 21221(h), as a retired PERS annuitant, Employee may not perform more than 960 hours per fiscal year for the City, inclusive of other qualifying employment.

Notwithstanding the foregoing, this Agreement shall automatically expire six months from the Effective Date unless extended by written agreement approved by the City Council at a public meeting. Any extension shall be contingent upon the City's continued active recruitment for a permanent City Manager and shall comply with all requirements of Government Code sections 211221(h) and 75223.56.

Employee agrees and understands that the purpose of this Agreement is to provide for Employee's services to the City on a short-term basis, that this Agreement reflects the City's need for interim services that regular staff cannot perform, and this Agreement does not create an ongoing position for Employee with City.

1.2 Duties & Authority. Employee will:

(a) Perform the functions and duties of an ICM as specified in applicable statutes including, but not limited to, the California Government Code, and City Ordinances, Resolutions, Rules and Regulations, as well as all other applicable federal, state, and local laws and regulations;

(b) Conduct the efficient administration of all the affairs of the City, which are under their control. In addition to the ICM's general powers as administrative head, and not as a limitation thereon, it is their duty, and they shall have power to complete the tasks and responsibilities outlined in Willows Municipal Code Section 2.10;

(c) Perform all legally permissible and proper duties as the City Council may assign and as may be modified from time to time;

(d) Comply with all applicable federal, state, and City laws and regulations;

(e) Employee shall recommend strategies and procedures to implement City policies, rules, and regulations, especially as it pertains to law enforcement, and shall enforce such policies, rules, and regulations, as established by the City Council. To accomplish this, Employee shall:

- 1) Attend City Council meetings as needed or required by the City Council.
- 2) Review all items, and any supporting documents, agendized for any regular and special meetings of the City Council. Employee shall consult with the City Attorney, Department Heads, relevant staff and consultants as necessary to advise City Council concerning strategies, procedures and items on the City Council's agenda.
- 3) For matters requiring legal interpretation of City policies, procedures, and agreements with third parties, coordinate with the City Attorney, or direct staff to do so.

(f) Employee acknowledges that the position of ICM is a position of high visibility before the public. Employee shall conduct themselves before the public, both during and outside of regular working hours, in a manner that reflects favorably upon City.

(g) Employee will maintain a log of hours worked for the City and shall submit a record of hours worked to the City Finance Department according to the same schedule and procedures as other City retired annuitants. The City will provide Employee with copies of the hours reports periodically submitted to CalPERS regarding hours worked under this Agreement.

1.3 Outside Employment.

(a) Except as provided, and as the City Council may otherwise approve in writing, pursuant to subparagraph (b) of this Paragraph 1.3, Employee has the duty and herein commits to devote at least 80% of their working time per week on the duties and responsibilities of the position of ICM as specified in Willows Municipal Code section 2.10, as well as other duties assigned by the City Council, which reasonably relate to the position of ICM. Employee will have the flexibility to determine a work schedule and work location (onsite at City Hall or a remote location outside the City) to perform these duties and responsibilities to the satisfaction of the City Council.

(b) Subject to the terms of this Agreement, Employee is permitted to maintain outside employment or conduct outside business activities on behalf of any person, firm, corporation or entity during the Employment Term, provided that such outside employment or business activities do not create a Conflict of Interest as defined by the California Political Reform Act of 1974 and other applicable state laws and regulations, a prohibited contract, or incompatibility of office under applicable laws and regulations, and provided that such outside employment or business activities do not prevent employee from devoting at least 80% of their working time. Employee represents that any such outside employment or business activities will not interfere with their duties as ICM.

(c) Paragraph 1.3(b) shall not be construed to prevent Employee from performing volunteer community service, participating in community service organizations, Employee's membership on non-profit boards, or managing personal and real property investments, outside the City jurisdiction, without requiring further approval of the City Council. Any outside services shall not create nor tend to create a disqualifying conflict of interest as

defined by the California Political Reform Act of 1974, as amended, nor shall such services impair Employee's ability to fully perform his duties for City hereunder.

(d) Prior to finalizing an offer of employment, Employee shall submit to City a Statement of Economic Interests (Form 700) to ensure all potential conflicts of interest or incompatible offices are disclosed to City and to give notice of the nature and extent of any proposed outside employment activities while Employee serves as ICM. Employee hereby agrees that the information documented on their Form 700 is true and complete.

1.4 Employee Commitments.

(a) Specific Tasks and Work Plans - Employee agrees to accomplish specific tasks as specified and described by the City Council from time to time in a timely and professional manner. Such specific tasks shall be discussed with Employee and then adopted by motion of the City Council as frequently as the City Council may choose.

(b) Hours of Work - Employee is an exempt employee who does not accrue compensatory time off but is expected to engage in those hours of work as necessary to fulfill the obligations of the position. Notwithstanding the foregoing, Employee's total hours worked in any fiscal year shall not exceed 960 hours for all CalPERS employer appointments combined, in accordance with Government Code section 21221(h).

1.5 City Commitments.

(a) City shall provide Employee with an office, support staff, office equipment, supplies, and all other facilities and services adequate for the performance of his duties.

(b) City shall pay for, or provide, Employee reimbursement of actual business expenses, with the exception of mileage/commute and housing expenses.

1.6 Compensation.

City agrees to provide the following compensation to Employee during the Employment Term of the Agreement:

(a) Base Salary - Employee shall be paid at the rate of \$82.97 per hour ("Hourly Rate"). This hourly rate reflects the hourly rate of the City's current City Council-adopted salary schedule for City Manager. The City certifies that this Hourly Rate does not exceed the maximum monthly base salary paid to other employees performing comparable duties as listed in the City's current City Council-adopted salary schedule, divided by 173.333 hours per month, in compliance with Government Code section 21121(h).

(b) Hourly Rate shall be payable to Employee on regularly scheduled City payroll dates and shall be subject to all applicable payroll taxes and withholdings. Such compensation shall be the sole compensation for services under this Agreement.

1.7 Employment of a PERS Annuitant.

Employee understands that CalPERS retired annuitants may be employed by a CalPERS public agency employer, by temporary appointment not to exceed 960 hours in any fiscal year for all such employers; either (1) during an emergency to prevent stoppage of public business, or (2) because the retired employee has skills needed in performing the work of limited duration.

1.8 Effect of Agreement on Retired Annuitant's CalPERS Retirement Benefits; Indemnification.

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

1.9 Law Enforcement Transition.

Employee acknowledges that the City is transitioning its municipal law enforcement services and reestablishing the Willows Police Department. Employee shall exercise reasonable professional judgment in advising the City Council and implementing Council-approved measures related to this transition.

2. EXPENSES:

2.1 General Expenses. Employee shall also be reimbursed by City for reasonable job-related expenses incurred in the course and scope of his employment, except that Employee will not be compensated for mileage/commuting or housing expenses.

2.2 No Leaves or Benefits. As a retired PERS annuitant, Employee shall not receive any holiday, vacation, sick, or administrative leave or any other benefit, incentive, or compensation in lieu of benefits other than the hourly rate of pay. Employee understands and agrees that Employee is not, and will not be, entitled to receive any benefits from City.

2.3 Other Terms & Conditions. Except as otherwise provided herein, and to the extent such provisions apply to a retired PERS annuitant, all provisions of the City of Willows Municipal Code, official policies and regulations and rules of the City relating to working conditions as they now exist or hereafter may be amended also shall apply to Employee.

3. "AT WILL" EMPLOYMENT STATUS:

(a) Employee is an "at will" employee and shall serve at the pleasure of the City Council. Employee's at-will status cannot be changed except by formal amendment to this Agreement approved by the City Council at a properly noticed meeting and signed by the Mayor.

(b) Except as provided in Paragraph 7, nothing in this Agreement shall prevent, limit or otherwise interfere with the rights of the City Council to terminate the services of Employee.

(c) Except as provided in Paragraph 7, nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employee to resign from his position as ICM at any time.

4. AUTHORITY TO WORK IN THE UNITED STATES:

Employee represents, under penalty of perjury, that he is authorized to work in the United States. In accordance with §274A (8 USC 1324) of the Immigration Reform and Control Act of 1986, before this Agreement can become effective, Employee must provide documentary evidence to City consistent with the Act, that he is legally entitled to work in the United States, and must execute the verification required by that

Act.

5. CONFLICT OF INTEREST:

Because of the duties and role of Employee on behalf of the City and its residents, Employee shall not, without the prior approval of the City Council, during the Employment Term, individually, as a partner, joint venturer, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of City, except for stock ownership in any company whose capital stock is publicly held and regularly traded. Employee shall also be subject to the conflict of interest provisions of the California Government Code and any other conflict of interest code applicable to his City employment. Employee is responsible for submitting to the City Clerk the Appropriate Conflict of Interest Statements as a condition of appointment, annually thereafter, and upon separation from his position.

6. ABUSE OF OFFICE:

Any legal criminal defense payments made by the City in the defense of Employee, if any, are subject to, and shall be interpreted to comply with, the limitations set forth in Government Code section 53260, concerning the maximum cash settlement in an employment contract, and Government Code sections 53243 through 53243.4, limiting and/or restricting payment and/or legal criminal defense payments should Employee be convicted of a crime involving an abuse of office or position. "Abuse of office or position" for purposes of this Agreement, shall be as defined in Government Code section 53243.4 which provides: "abuse of office or position" means either of the following: (a) An abuse of public authority, including, but not limited to, waste, fraud, and violation of the law under color of authority. (b) A crime against public justice, including, but not limited to, a crime described in Title 5 (commencing with Section 67), Title 6 (commencing with Section 85), or Title 7 (commencing with Section 92) of Part 1 of the Penal Code." Employee shall be required to fully reimburse the City for: (a) any salary paid to Employee during any period of paid administrative leave pursuant to Government Code section 53243.1; and (b) any funds expended by the City for the legal criminal defense of Employee pursuant to Government Code section 53243.2.

7. TERMINATION:

- (a) Termination With Cause - The City reserves the right to terminate Employee's employment with cause at any time without notice.
- (b) Termination Without Cause - City also may terminate Employee's position without cause. In that event, City will endeavor to provide 30 days' advance written notice of termination to Employee, but City may terminate Employee's position without cause with no less than 72 hours' advance written notice.
- (c) Employee agrees and understands that Section 2.10.250 through 2.10.290 of the Willows Municipal Code does not govern the termination of Employee's position as ICM pursuant to this Agreement. Section 2.10.250 through 2.10.290 of the Municipal Code provides that the City Manager is appointed for an indefinite term and the City Council may remove him/her by a majority vote of its members, and it imposes further procedural requirements on the City Council in terminating the City Manager's position. **Employee hereby waives any claim to ongoing employment or to any procedural rights regarding termination of his employment as provided by Section 2.10.250 through 2.10.290 or as otherwise provided in the Willows Municipal Code.**

Employee Acknowledgement:

- (d) Resignation - If Employee voluntarily resigns his employment with City, he should endeavor to give City at least thirty (30) days' advance written notice, but shall at a minimum provide no less than seven (7) days' advance written notice of resignation.

(e) No Severance - In the event Employee's employment is terminated by City, with or without cause, no severance payment shall be provided.

8. GENERAL PROVISIONS:

8.1 Modification. No modification of this Agreement shall be valid unless said modification is in writing and signed by both Parties.

8.2 Indemnification. In accordance with and subject to the provisions of California's Government Claims Act (Government Code §825 et seq.), and any other applicable law, City shall defend, indemnify, and hold harmless Employee against civil action and for all losses sustained by Employee in direct consequence of the discharge of his duties on the City's behalf for the period of his employment. City shall defend, indemnify, and hold harmless Employee against any tort, professional liability claim or demand, or other civil legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of his duties as ICM. City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon. Whenever Employee shall be sued for damages arising out of the performance of his duties, the City shall provide defense counsel for Employee in such suit and indemnify him from any judgment rendered against him; provided that such indemnity shall not extend to any judgment for damages arising out of any willful wrongdoing of Employee. Said duty to indemnify shall survive termination of employment and expiration of this Agreement to protect Employee for any such acts undertaken or committed in his capacity as ICM, regardless of whether the notice of filing of a lawsuit occurs during or following his employment with the City.

8.3 Dispute Resolution & Attorney's Fees. In the event of a dispute arising from or related to the Agreement, and before bringing any action or proceeding against the other, including but not limited to, an action to enforce or to declare the termination, cancellation or revision of this Agreement, the Parties shall participate in good faith mediation before a qualified and mutually agreeable neutral mediator. The City shall pay for the mediation expense not to exceed one day. Any further mediation expenses shall be shared equally by the City and Employee. In the event that the City or Employee must commence an action or proceeding, as against each other, in order to preserve any applicable statute of limitations, the party(ies) commencing the action shall immediately stay such proceedings until mediation is completed. Should the initial mediation efforts to resolve the dispute related to this Agreement prove unsuccessful, either party shall be entitled to pursue all other legal remedies available under the law. The prevailing party in such further action or proceeding shall be entitled to receive from the other party all reasonable attorney's fees and costs, actually incurred in connection therewith. If either party shall initiate any suit, action, or appeal on any matter related to this Agreement, then the court before which such suit, action, or appeal is pending shall award to the prevailing party such attorney's fees and costs as the court shall deem reasonable.

8.4 Severability. If any provision or any portion of any provision of this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion hereof, shall be deemed severable and shall not be affected, but shall remain in full force and effect.

8.5 Integrated Agreement. This writing contains the entire agreement between the Parties and all prior or contemporaneous agreements, understandings, or discussions relative to this Agreement are hereby superseded.

8.6 Jurisdiction & Venue. This Agreement shall be construed in accordance with the laws of the State of California and the Parties hereto agree that venue for any dispute as to this Agreement shall be in Willows, Glenn County, California.

8.7 Notices. All written notices required pursuant to this Agreement shall be delivered to:

City Clerk, City of Willows City Hall, 201 North Lassen Street, Willows, CA 95988; and

Joseph Gorton, Address on file with the City.

III. **EXECUTION:**

IN WITNESS WHEREOF, the City Council of the City of Willows has caused this Agreement to be signed and executed on its behalf by the Mayor, and Employee has signed and executed this Agreement as of the day and year first above written.

CITY OF WILLOWS:

EMPLOYEE:

EVAN HUTSON, MAYOR

JOSEPH GORTON, INTERIM CITY MANAGER

CITY ATTORNEY:

GRETCHEN STUHR, CITY ATTORNEY

DATE:
