LIABILITY CLAIM AGAINST THE CITY OF GREENFIELD FOR DAMAGES (Government Code Sections 905,910,910.2)

1. I was hired on May 15, 2017. Approximately two weeks after I was hired I met with Mayor Jesus Olveragarcia. The meeting took place in my office and included a discussion of our mutual views of how a City is managed. The Mayor stated his belief that his election gave him a mandate to eliminate the Medical Cannabis Industry from the City of Greenfield. Upon further discussion I became apparent that the Mayor had a mistaken understanding of the role of a Mayor in the Council – Manager Form of Government.

After an effort on my part to explain the abovementioned form of government the Mayor reiterated his above stated position and added that Mic Steinmann, the Community Services Director, was greatly responsible for bringing the cannabis industry into the City by use of illegal actions from which he personally benefited. He clearly stated that many people had told him Mr. Steinmann was corrupt and added "Mic has to go and it reflects on you as the new Manager if he does not". This approach was clearly meant to harass and intimidate. I discussed this incident later with Legal Counsel.

I explained to the Mayor that as the new City Manager but also an attorney any allegations of corruption are taken seriously if they are backed by credible proof. I asked him to please provide such proof and/or witnesses that may come forward with credible statements as soon as possible. The Mayor indicated the people making these allegations did not want to "come forward" but he was sure what they are saying was true and that others such as Finance Director, Jeri Corgill, Human Resources Director Nina Arguayo, City Clerk, Ann Rathburn, also needed to go as they are problems for the City which he was elected to take care of.

I further responded by calmly outlining my management style for holding people accountable. As to anything that might have happened in the past before I became City Manager I again stated any action on my part is contingent on actual proof. He repeated the same request to terminate Mic Steinmann and the three other department heads (three weeks later) in spite of offering no proof. This is despite further advice from Counsel having been given right before his second request. The Mayor's continuous statements about Mic Steimann were clearly slanderous in nature.

On or about the end of May of 2017, the Mayor assumed he had the power to review, deny, hold and become involved in the payroll and check processing process. This again involved further clarification advice from Legal Counsel. At one point the Mayor began to take checks home, withhold checks he did not agree with especially any checks having to do with contractors and materialmen doing work for the medical cannabis industry. At one point, he even delayed execution of a check of an approximately $200,000.00 for Leduca a contractor whose work he questioned and even held off on signing checks for our own plan review firms doing work for the Medical Cannabis Industry. These actions regarding the check process continued in spite of further admonitions from Legal Counsel and myself. He did not agree with the legal advice and continued this practice even though he was clearly informed he had no greater power with regard to the check process than any other Council person other that his name appearing on the checks. He also contacted individual employees involved in the check preparation process creating great discomfort among staff.

2. On or about June 2017, the Mayor began inquiring why Mic Steinmann as Community Services Director also had oversight over Public Works functions. I explained in a logical manner as to how our gradual growth mode would (with time and money permitting) lead to a separate director. He asked that we reduce Mic Steinmanns' salary. I explained this was a decision to be made by the entire Council when time came. He was clearly not pleased and stated he was elected to make sure these decisions were "done right".

3. On or about the beginning of July 2017, the Mayor directly involved himself in the staff negotiations for a traveling carnival to come into the City. Legal Counsel became involved. His involvement caused considerable consternation among staff.

4. On or about Mid-July the Mayor involves himself in the insurance negotiations for property owners who suffered back flow valve damages. Our insurance provider became involved. The involvement led to the City settling at a higher rate as this gave the property owners they had political leverage with regard to the situation. Legal Counsel had to intervene as did our insurance provider.

5. On or about Mid-July the Mayor became specifically involved in employee negotiations again leading Legal Counsel to become involved.

6. On or about Mid November, 2017, the Mayor avoided in every way possible his duty to execute 11 major Medical Cannabis Development agreements. He indicated to me he felt it was his right to do so even after his duty to so was explained by myself and Legal Counsel. This was clearly a legal violation of his duty to do so as Mayor. He was declared absent by me and we had to have the Mayor Pro Tem sign. The Mayor was clearly upset with Mic Steinmann and myself when he could not prevent the execution of the Development Agreements with the Medical Cannabis industry.

7. On or about the end of July 2017 the City received a letter from Doug Halley who complained to the City about an unauthorized press statement from the Mayor. Mr. Halley's complaint was forward to the City's insurance provider. Mr. Halley claimed the action of the Mayor in meeting with the existing tenants of a private industrial park and promising them a $10,000 relocation payment was due to his own political bias against the Medical Cannabis Industry.

8. On or about late August, 2017 the Mayor asked for the detail of a Police investigation into a gang rape of underage girl in Greenfield. He was upset about not getting the details about the crime so he could address the press. This led to Legal Counsel having to Council's role in these situations as well as Lozano Smith giving a special class on the Role of the City Council, City Manager, Staff and City Attorney to help give the Mayor mainly guidance as to the fact he has the same power as any other Councilman with the exception of conducting meetings.

9. On or about early October of 2017, the ongoing practice of the Mayor discussing complaints about City during the final comment section of Council Meetings became an issue. As increasing complaints/questions by the Mayor directed at the City Manager and staff increased the harassing nature of what was clearly hostile discussion in violation of the Brown Act became evident. Counsel became involved.

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11. On or about the beginning of December of 2017, the Mayor became directly involved in the Police Chief selection process and pushing (for his reasons) for one candidate over another. He communicated this to me directly. This was a very serious breach of his role as Mayor but in keeping with his pattern of trying to involve himself with the selection, performance and removal of department heads. The Mayor did request a report on the background for the two top candidates and was upset when turned down. Counsel became involved.

12. On or about the beginning of March 2018 the Council Agenda Committee made up of Leah Santibanez and the Mayor asked me that the performance of Mic Steinmann be placed as a closed session item. I politely explained to them that this was outside the authority of the Council. Both indicated his performance should be part of their role. I have to note at this point that Mayor Olveragarcia, Leah Santibanez, and Lance Walker have all asked me to terminate Mic Steinmann at one point or another. Lance Walker stated I should do so in writing. The Mayor has been the most vociferous in this regard. It should be noted at this point that Mr. Walker voted consistently against the cannabis industry interests from the beginning of my tenure but shifted his position politically and then at one point asked if staff could help his girlfriend who was seeking employment with the cannabis industry here in Greenfield. Apparently, she quit abruptly the day before my performance review was finalized. The facts will show this (aside from his opinion about Mic Steinmann) further led him to not support me at the time of the review.

13. On or about the beginning of May 2018, the Mayor demanded that a campaign sign for District 3 Supervisorial Candidate Chris Lopez (a pro-cannabis industry candidate) be immediately removed. The sign was oversized per the requirements of the ordinance. Upon checking with Counsel the sign ordinance was found to be legally defective. The Mayor upon being told the sign could not be removed was very upset as the Mayor had endorsed District 3 Supervisorial Candidate Alejandro Chavez (an anti-cannabis industry candidate). The Mayor expressed his discontent with staff who were only doing their job.

On June 16, 2018, in a closed session of the City Council, on a 3-2 vote, the Greenfield City Council terminated the City Manager, Jaime M. Fontes.