Special Meeting
Tuesday, June 27, 2017, at 4:00 p.m.

CALL TO ORDER
ROLL CALL
APPROVAL/ADJUSTMENTS TO THE AGENDA
CONFLICT OF INTEREST DECLARATION
BRIEF PUBLIC COMMENT
NEW BUSINESS

1. Approval — City Manager Employment Agreement - Mr. Patrick Jordan.
   Explanation: The Council will review and deliberate on a proposed employment agreement between the City of Escanaba and Mr. Patrick Jordan for the position of City Manager.

GENERAL PUBLIC COMMENT
ANNOUNCEMENTS
ADJOURNMENT

Respectfully Submitted

James V. O'Toole
City Manager
NOTICE OF CITY COUNCIL
SPECIAL MEETING

PLEASE TAKE NOTICE that a special meeting will be conducted by the Escanaba City Council on June 27, 2017, at 4:00 p.m., City Hall, Room C101, 410 Ludington Street, Escanaba, Michigan. The purpose of the meeting is to receive a report and recommendation from the negotiation Committee regarding the City Manager position, and/or act on any other items to be brought up by Council.

June 27, 2017 4:00 p.m., City Hall, Room C101

This notice is given in accordance with Act 267 of the 1976 Public Acts of State of Michigan and Chapter II, Section 5, of the Escanaba City Charter. The City of Escanaba will provide necessary, reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon five (5) days notice to the City of Escanaba. Individuals with disabilities requiring auxiliary aids or services should contact the City of Escanaba by writing or calling the below named City Clerk. Public notice will be given regarding any changes of the above meeting.

James V. O'Toole, City Manager
(906) 786-9402

or

Robert S. Richards, CMC
(906) 786-1194

RSR/bms

Posted 6/26/2017 9:45 AM
EMPLOYMENT AGREEMENT

This agreement, subsequently called "Agreement" is entered into this ______ day of _____________, 2017, between the CITY OF ESCANABA, State of Michigan, a Municipal Corporation, subsequently called "City" and PATRICK S. JORDAN, subsequently called "City Manager", both of whom understand as follows:

Witness:

The City Council is empowered to appoint and remove the City Manager as provided for in the City Charter; and

The City Council desires to employ the services of Patrick S. Jordan as the City Manager of the City of Escanaba; and

It is the desire of the City to:

(1) Secure and retain the services of the City Manager and to provide inducement for him to remain in such employment;
(2) To make possible full work productivity by assuring the City Manager’s morale and peace of mind with respect to future security;
(3) To act as a deterrent against malfeasance or dishonesty for personal gain on the part of the City Manager;
(4) To provide a means for terminating the City Manager’s service at such time as he may be unable to fully discharge his duties due to disability or when the City may otherwise desire to terminate his employment; and

Patrick S. Jordan desires to accept employment as the City Manager of the City;

Now, therefore, in consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1 - Duties

The City agrees to employ Patrick S. Jordan as the City Manager of the City to perform the functions and duties of that office as set forth in the City Charter and ordinances and to perform other legally permissible duties and functions. The City Manager shall devote his full attention and effort to the office and perform the mentioned duties and functions in a professional manner. The City Manager shall not engage in any other business activity during the term of this agreement without prior approval of the City Council, which approval shall not unreasonably be withheld.
Section 2 – Term

(a) The City hereby employs and the City Manager hereby accepts employment as the City Manager for an indefinite term commencing on the 26th day of June, 2017.

During the first six months of employment the City Manager shall be a probationary employee and may be terminated without any severance pay for any reason or for no reason during the probationary period.

The City Council shall review the City Manager's performance under this agreement during the month of October 2017 and on an annual basis on or before June 30 of each year, beginning June of 2018 and each ensuing year thereafter. If no review is undertaken, performance shall be considered satisfactory.

(b) The City Manager shall be entitled to hospitalization, surgical, dental, vision and comprehensive medical insurance for himself and his dependents. The City agrees to pay the premium thereon on the same basis as is provided to all other non-union new employees. However during the first six months of this contract the City Manager shall opt out of City medical insurance and in lieu thereof the City will reimburse the City Manager $1,000.00 per month during said initial six month period.

The City Manager shall be entitled to paid time off as provided to new appointed department heads as per Non-Union Employees Handbook and Uniform Fringe Benefit Program as amended with the exception that the City Manager shall be credited with ten (10) years of service in computing the Paid Time Off benefits. The City Manager shall be entitled to holidays, workers’ compensation, unemployment compensation and disability income insurance all as provided to new appointed department heads as per Non-Union Employees Handbook and Uniform Fringe Benefit Program as amended.

(c) The City shall contribute per current city policy (Non-Union Employees Handbook and Uniform Fringe Benefit Program as amended) to the M.E.R.S. defined contribution retirement account on behalf of the City Manager.

(d) The City Manager is an “at will” employee and shall serve at the pleasure of the City Council and may be terminated without cause. City Council is only limited by the provisions of the City Charter. In the event of termination by the City Council after the probationary period, the City agrees that the provisions of Section 4 of this agreement shall govern said termination.

(e) Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the City Manager to resign at any time from his position with the City. The City Manager agrees to provide the City with 60 days notice of said termination. Said termination of employment by the City Manager shall be subject to the provisions set forth in Section 4 (d) of this agreement.
Section 3 – Administrative Leave

The City Council may place the City Manager on administrative leave with full pay and benefits at any time during the term of this agreement.

Section 4 – Termination and Severance Pay

(a) Except as otherwise provided in Section 4 (b) of this agreement, in the event the City Council terminates the employment of the City Manager, and during such time that the City Manager is willing and able to perform his duties under this agreement, the City shall pay to the City Manager a severance payment in an amount equal to the last six months salary previously budgeted, appropriated and approved; provided, however, that the salary shall be paid over a six month period and shall cease during said six months upon the City Manager securing other employment. In addition to said salary, the City Manager shall receive medical benefits or insurance opt-out reimbursement for 180 calendar days after the date of termination. Said benefits shall cease upon the City Manager securing other employment. The City shall maintain and pay for said health, medical disability and life insurance in such amounts and on such terms as have been received at the time of such termination; however, no other additional benefits shall accrue during this 180 calendar day period. In addition to said salary and medical benefits, the City Manager shall be entitled to payment for all accrued benefits.

(b) Notwithstanding paragraph subsection (a) above, the following reasons shall constitute grounds to terminate the employment of the City Manager without severance pay or medical benefits:

(i) a willful breach of this agreement or the willful and repeated neglect by the City Manager to perform duties that he is required to perform;
(ii) conviction of any criminal act relating to employment with the City;
(iii) conduct relating to City employment which, while not necessarily criminal in nature, violates the City’s established work rules or standards of conduct in a continuous substantial manner;
(iv) conviction of a felony;
(v) termination of employment by City Manager.

(c) Prior to the time that the City Council terminates the City Manager without severance pay for any of the reasons set forth in paragraph (b) above, the City Council shall provide the City Manager with written notice of proposed termination which contains the reason and factual basis for such action. Within 30 days of such notice, the City Manager may request an opportunity to respond to the reasons and factual basis provided by the City Council. If such a request to respond is made, the City Council shall conduct a meeting, which may be informal in nature, at which the City Manager and/or his representative may respond to the notice of proposed termination. At such meeting, the City Manager may be represented by an attorney of his choice and
present evidence or information relevant to the reasons and factual basis set forth in the notice of proposed termination.

(d) In the event the City Manager voluntarily resigns his position, the City manager shall give the City Council written notice at least 60 calendar days prior to the last work day, unless the City Council and City Manager otherwise agree. If the City Manager fails to provide such notice to the City council, any right to accrued benefits shall terminate.

Manager and the City will cooperate to provide for an orderly transition. Specific responsibilities during such transition may be specified in a written separation agreement.

Section 5 – Disability

If the City Manager is disabled or otherwise unable to perform his duties because of sickness, non-work related accident, non-work related injury, mental incapacity or ill health, he shall be eligible for disability leave upon exhausting all accrued paid time off. Disability leave shall be unpaid and shall be at the sole discretion of the City Council for a time period of up to six months. If, upon the expiration of the disability leave approved by the City Council, the City Manager is unable to return to work at that time, the City Council shall have the option to terminate the employment of the City Manager without further liability on the part of the City of Escanaba.

Section 6 – Performance Evaluation

The City Council shall review and evaluate in writing the performance of the City Manager on or before June 30 of each year. That review and evaluation shall be in accordance with specific criteria developed in consultation with the City Council and the City Manager. That criteria may be added to or deleted from as the City Manager from time to time may determine, in consultation with the City Council.

Section 7 – Salary

The City agrees to pay the City Manager for his services rendered pursuant to this agreement the sum of Ninety-five Thousand ($95,000.00) Dollars per annum during the probationary period. After successfully completing the probationary period said salary shall be One Hundred Thousand ($100,000.00) Dollars per annum.

Section 8 – Other Benefits

All applicable provisions of the “Personnel Policies for new Non-Bargaining Unit Employees” as they may be amended from time to time, shall apply to the City Manager as they would to other employees of the City, except as the terms and conditions of this agreement may preclude them or modify them.
Section 9 – Moving Expense

The City shall reimburse the City Manager for moving expense, up to Five Thousand ($5,000.00) Dollars, upon presentment of billings from a moving company with regard to the move from Muskegon, Michigan, to Escanaba, Michigan.

Section 10 – Vehicle

The City will provide the use of a motor pool vehicle for the City Manager for City business. In the event that the City Manager shall use his personal vehicle for City business, then in that event a vehicle allowance, mileage reimbursement or fuel only reimbursement shall be provided to the City Manager pursuant to the personnel policies for non-bargaining unit employees.

Section 11 – Professional Development

The City agrees to budget and pay for the State and National City Manager’s Association dues. The City shall also pay the dues for one local service organization.

Section 12 – Indemnification

The City shall defend and indemnify the City Manager against any action, including but not limited to any tort, professional liability claim or demand, or other noncriminal legal, equitable or administrative action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of the City Manager’s duties as an employee or officer of the City. In addition, the City shall pay the reasonable expenses for the travel, lodging, meals and lost work time of the City Manager should the City Manager be subject to such an action. The City shall be responsible for and have authority to compromise and settle any action, with prior consultation with the City Manager, and pay the amount of any settlement or judgment rendered on that action. The City Manager shall cooperate fully with the City in the settlement, compromise, preparation of the defense, or trial of any such action. The City will be responsible for any and all costs and attorney’s fees associated with this Section 12. The provisions of this Section 12 shall survive termination of the City Manager’s employment or termination of this agreement.

Section 13 – Bonding

The City shall bear the full cost of any fidelity or other bonds required by the City Manager under any law or ordinance.
Section 14 – General Provisions

(a) The text here shall constitute the entire agreement between the parties.
(b) If any provision, or any portion of any provision, contained in this agreement is held unconstitutional, invalid, or unenforceable, the remainder of this agreement, or any portion of it, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

IN WITNESS, the City of Escanaba has caused this agreement to be signed and executed on its behalf by its Council Mayor and the City Manager has signed and executed this agreement, both in duplicate, the day and year first above written.

THE CITY OF ESCANABA

Dated: ________________ By: ______________________________

Marc Tall
Mayor

THE CITY MANAGER

Dated: ________________

Patrick S. Jordan