

CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement", made and entered into this 20th day of October, 2015, by and between the City of Valdez, Alaska, a municipal corporation, as the Employer, hereinafter called the City, and Dennis Ragsdale, hereinafter called Employee, both of whom agree and understand as follows:

WITNESSETH:

WHEREAS, the City wishes to appoint Employee as City Manager of the City of Valdez, Alaska, as provided by Sections 2.1(b) and 5.3(a) of the Valdez City Charter; and,

WHEREAS, Employee has agreed to serve as City Manager subject to the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree:

Section 1. Duties

The City appoints and employs Employee as City Manager of Valdez to perform the functions and duties specified in Section 5.3(a) of the Valdez City Charter and Chapter 2.08 of the Valdez Code, and as they may be hereinafter amended, and to perform other legally permissible and proper duties and functions as the City Council shall from time to time assign.

Section 2. Term

- A. Employee's employment as City Manager shall commence on January 4, 2016, and shall continue until terminated as provided below. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City to terminate the services of Employee at any time, for any or no reason, at will, subject only to the provisions set forth in Section 5, paragraphs A and B, of this Agreement.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time, with or without notice, from the position with the City.

Section 3. Salary/Leave/Vehicle Allowance

- A. Employee's salary shall be One Hundred Thirty Thousand Dollars (\$130,000) per year, subject to an annual review and adjustments set by the City Council. Salary will be adjusted annually hereinafter by at least the same amount or percentage for cost of living as authorized for all other management employees of the City.
- B. Unless otherwise provided in this agreement, the terms of the City personnel policies as relating to executive level employees shall apply. The annual leave accrual rate (sick, vacation, etc.) shall be Forty (40) days per year, and shall begin accruing on July 1, 2016. However, Employee shall have a Twenty (20) day leave bank as of the first day of employment, unless otherwise changed by Council and Employee by mutual written amendment to this Agreement. Leave days shall be based on an eight (8) hour workday. Accrued personal leave may not exceed 600 hours. Any leave balance in excess of 600 hours as of January 1 of each year shall be cashed out and paid to employee no later than January 31 of that year.
- C. Consistent with all other Executive Level positions, eight (8) hours of flexible time per month shall be granted which shall not be cumulative and must be used within 30 days following the first day of the month. Flexible time shall have no cash value.
- D. Employee's vehicle allowance shall be Five Hundred (\$500) per month.
- E. Employee is a Tier IV PERS Employee and shall be eligible to participate in the City paid 401(a) and 457 plan, consistent with all other Executive Level Management positions.
- F. The City will provide Employee with up to Twelve Thousand Dollars (\$12,000) for moving and relocation expenses upon submittal of receipts or a lump sum request, as Employee may so determine. Voluntary separation prior to completion of 12 months service shall require the repayment of moving and relocation expenses to the City on a pro rated basis.
- G. The City shall provide such professional development and ongoing education as included in the City's Annual Budget, including but not limited to participation in training by the International City-County Management Association (ICMA), the Alaska Municipal League (AML), the Alaska Manager's Association (AMA), and the American Planning Association (APA) and its American Institute of Certified Planners (AICP).

Section 4. Performance Evaluation

Employee shall be evaluated as to his performance, with an initial goal-setting and performance expectations review within the first month of employment, three month and six month progress reviews during the first year of employment, and a formal Annual Performance Evaluation and pay review within the first Twelve to Thirteen (12-13) months of employment, and at least annually thereafter.

Section 5. Termination and Severance

- A. In the event the Employee is terminated at will by the City Council, or in the event the City Council and Employee accept a mutually agreed upon resignation by the Employee, then in that event, should the termination or resignation take place within the first year of employment, the City agrees to pay employee the cash equivalent for all leave balance accruals, and a lump sum cash payment equal to Twelve (12) months' aggregate salary and premiums for medical/dental benefits that would have been paid by the City on behalf of Employee (not including car allowance, further leave accruals, further retirement contributions or any other general benefit).

After one year of employment and thereafter, the City agrees to pay employee the cash equivalent for all leave balance accruals, and a lump sum cash payment equal to Six (6) months' aggregate salary and premiums for medical/dental benefits that would have been paid by the City on behalf of Employee (not including car allowance, further leave accruals, further retirement contributions or any other general benefit).

However, if dismissal of Employee is found by City Council to be for cause involving extenuating circumstances, including but not limited to illegal acts, egregious or grossly negligent acts or omissions, or dishonesty, then Employee shall not be entitled to the herein severance pay provision.

- B. In the event the City at any time during the term of this Agreement reduces the salary or other financial benefits due Employee in a greater amount or percentage than an applicable across-the-board reduction for all Executive Level Management employees of the City, Employee may, at his option, deem the Agreement to be terminated as of the effective date of the reduction and shall be entitled to the herein severance provisions.

Section 6. Effective Date

This Agreement becomes effective upon its approval by the City Council, with the first day of employment beginning January 4, 2016. This Agreement supersedes any and all other Agreements, whether written or oral, between the City and Employee.

Section 7. Death or Disability of Employee

- A. In the event of Employee's death during the term of employment, the City shall pay to the estate of Employee, or designee of Employee by written notification to the City, Employee's normal prorated salary and accrued leave benefits through the end of the month in which Employee's death occurs.
- B. In the event that Employee becomes too mentally, emotionally or physically ill or disabled, in the reasonable opinion of the City Council, to efficiently, effectively and/or safely perform his duties for 45 consecutive calendar days, Employee shall be deemed to have voluntarily terminated employment without severance.

Section 8. Hours of Work

It is recognized that the Employee must devote a significant amount of time to the business of the City beyond a typical 40 hour work week. Employee shall have sole discretion as to his required hours worked necessary to the performance of his duties. As an FLSA Exempt employee, Employee shall take leave or unpaid time for any full day's time away from regularly scheduled work days.

Section 9. Outside Activities

Employee shall devote his full time and effort to the performance of his employment duties under this Agreement, and agrees not to accept or perform any other employment, outside consulting or teaching positions without the express written prior consent of the City Council, which City Council may withhold in its absolute discretion.

Section 10. Non Discrimination

The City has and enforces a strict policy against any form of unlawful employment discrimination, including, without limitation, unlawful sexual harassment. Employee agrees to conduct himself in a non-discriminatory manner. Any discrimination complaints against Employee, or if Employee believes that he is the victim of unlawful discrimination, shall be promptly reported to the City Council via the

Mayor or City Clerk. All such complaints shall be kept confidential until reviewed by the City Council or its investigator.

Section 11. General Provisions

- A. Entire Agreement. This written Agreement constitutes the entire Agreement between the parties with respect to its subject matter and supersedes any other prior agreements, contracts, representations, promises, inducements and assurances, oral and written, express and implied, with respect to such subject matter, which are not included herein.
- B. Amendment/Novation. No modification, amendments, deletions, additions or novations to or of this Agreement shall be effective unless they are completely and unambiguously contained in a writing executed and delivered by all the parties to this Agreement. Only the Valdez City Council is authorized and empowered to make any modifications, amendments, deletions, additions or novations to or of this Agreement on behalf of the City.
- C. Applicable Law. This Agreement and the respective rights, remedies and obligations of the parties herein shall be construed and interpreted in accordance of applicable laws of the State of Alaska and the United States of America.
- D. Exclusive jurisdiction/Venue. In the event that a question, dispute or claim should arise under or with respect to this Agreement, the jurisdiction and venue thereof shall lie exclusively with the courts of the Third Judicial District for the State of Alaska at Valdez.
- E. Waiver. The failure of either party to object to default under or breach of this Agreement shall not constitute a waiver, either express or implied, of the right to do so in the event of any future or continuing default under or breach of this Agreement.
- F. Notices. All notices required under this Agreement or by law shall: a) be in writing, b) contain a clear and concise statement setting forth the subject matter thereof and reasons therefor, and c) be personally delivered, facsimile or email transmitted or mailed by first class mail to each party of this Agreement at the following addresses:

City of Valdez, Employer
P.O. 307
Valdez, AK 99686

Dennis Ragsdale, Employee
5980 Ed Harris Court
St. Cloud, FL 34771

G. Independent Counsel. Each party to this Agreement acknowledges that it has obtained, or has had ample opportunity but declined to obtain, the advice of competent independent legal counsel in negotiating, entering into and executing this Agreement. The fact that this Agreement may have been drafted in whole or part by one party shall not cause any part of this Agreement to be construed against either party.

Section 12. Additional Terms and Conditions

The City Council shall fix and assign any other such terms and conditions of employment, as it may deem necessary from time to time, relating to performance of Employee, provided such terms, conditions or other duties as assigned, are not inconsistent with or in conflict with provisions of this Agreement.

IN WITNESS WHEREOF, the City of Valdez has caused this Agreement to be signed and executed on its behalf by its Mayor and duly attested by the City Clerk, and the Employee has signed and executed this Agreement both in duplicate, the day, month and year first above written.

Employee:

Dennis Ragsdale
Dennis Ragsdale, City Manager

City of Valdez, Alaska

Larry Weaver
Larry Weaver, Mayor

Dated: 10/15/2015

Dated: 10/27/2015

Attest:

Sheri L. Pierce
Sheri L. Pierce, MMC, City Clerk

Approved as to form:

Anthony Guernsey
Anthony Guernsey, City Attorney
Brena, Bell and Clarkson, P.C.

