

EMPLOYMENT AGREEMENT

This Agreement made and entered into this 27th day of May, 2011, by and between The City of Willmar, a municipal corporation under the laws of the State of Minnesota (herein City) and Charlene Stevens (herein Stevens) and collectively referred to as the Parties. Based on mutual covenants and conditions, the Parties hereto agree as follows:

1. **Position.** Effective August 1, the City does hereby hire and employ Stevens as its City Administrator to perform all the duties and obligations of the City Administrator position in accordance with State statutes and City charter, ordinances and policies and to perform such other legally permissible and proper duties and functions generally performed by city administrators as the City Council shall from time to time assign.
2. **Term.** This Agreement shall remain in full force and effect from the date hereof until terminated by the City or Stevens as provided in Paragraph 18 of this Agreement.
3. **Salary.** On her employment date in 2011, the City agrees to pay Stevens as full compensation for her services as City Administrator an annual salary of \$118,750, payable in installments at the same time as all other employees of the City are paid. Thereafter and subject to satisfactory performance evaluations, the City agrees to increase Stevens' compensation each year by at least the amount of the average percentage increase granted to City department heads, supervisors and confidential employees.
4. **Performance Evaluation.** Stevens shall be given an initial performance review after six (6) months and annually thereafter consistent with the schedule for department heads, supervisors and confidential employees. The process, form, criteria, and format for the evaluation will be mutually agreed upon by the City and Stevens. The final written evaluation shall be completed and delivered to Stevens within thirty (30) days of the evaluation meeting.
5. **Pension.** The City shall contribute to PERA as required by State law for Stevens or an alternate pension plan as authorized by State law, if selected by Stevens.
6. **Relocation Assistance.** The City and Stevens agree that it is desirable for the City to assist Stevens with her move to Willmar. To facilitate the relocation, the City shall:
 - A. Reimburse her for transportation expense equivalent to IRS mileage rate for two round trips to arrange for housing. At her option, Stevens may elect to apply said sum to air transportation.
 - B. Reimburse Stevens for lodging and meal expense for her and her spouse during the two house hunting visits to Willmar described in Paragraph 6 (A).

C. Pay Stevens' moving expense for move to Willmar, including expense of packing for the move. Stevens shall submit at least two (2) written quotes and the City shall pay based on the lowest written quote.

D. In the event that Stevens' Kansas home is not sold and closed by August 1, 2011, the City agrees to pay Stevens up to \$1,200 per month temporary housing allowance. This allowance shall terminate upon the earliest of the closing on Stevens' Kansas home or three (3) monthly payments, whichever is the first to occur.

Stevens shall submit documentation of all expenses eligible for relocation assistance to the City. The Parties agree the maximum relocation assistance to Stevens shall not exceed a total of \$15,900.

7. **Vacation.** Stevens shall be granted vacation at the rate of twenty (20) working days per year for her first five (5) years of continuous service. Effective on her first day of employment, she will be granted ten (10) days of vacation. Six months thereafter Stevens will begin to accrue vacation leave in the same manner as department heads, supervisors and confidential employees. Effective with her anniversary date commencing her sixth year of continuous employment, Stevens shall accrue and be granted vacation at the rate of twenty five (25) days per year. Stevens, at her option, may carry over unused vacation days from year-to-year.

8. **Personal Leave.** Effective with her employment date, Stevens shall be granted one (1) personal leave day covering the period August 1, 2011 to December 31, 2011. Effective January 1, 2012 and during each calendar year thereafter during the term of this Agreement, Stevens shall be granted two (2) personal leave days per calendar year. Personal leave days are to be taken when work load permits and are not cumulative from year-to-year.

9. **Sick Leave.** Effective on her first day of employment, Stevens will be provided with a starting sick leave balance of forty (40) hours. Thereafter, Stevens shall accumulate sick leave at the rate of eight (8) hours of sick leave for each month of service; unused sick leave to Stevens' credit shall be cumulative from one year to the next.

10. **Other Leave.** Stevens shall be allowed up to three (3) working days of paid leave in the event of a death in a member of Stevens' immediate family; such funeral leave will not be deducted from sick leave. Immediate family member is defined as father or father-in-law, grandfather, mother or mother-in-law, grandmother, sister or sister-in-law, brother or brother-in-law, spouse, children of either husband or wife, stepchildren or step parents, or a member of Stevens own immediate household.

11. **Holidays.** Stevens shall receive the following paid holidays:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May

Independence Day	July 4
Labor Day	First Monday of September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	
Christmas Day	December 25

12. **General Insurance.** The City agrees to provide Stevens' with the following general insurance benefits:

- A. Hospitalization and major medical coverage consistent with the plan offered to department heads, supervisors and confidential employees. If Stevens chooses dependant coverage, she shall pay the first \$90.00 per month and any additional premium for dependant coverage shall be paid by the City.
- B. Term life insurance coverage in the amount of \$225,000.
- C. Long-term disability insurance coverage.

13. **Hours of Work.** Stevens will generally be available during regular business hours. It is understood that the position of City Administrator requires attendance at evening and weekend meeting as necessary. In recognition of these work demands, Stevens shall be allowed to use reasonable flexibility in setting her office schedule.

14. **Outside Activities.** Stevens shall not become an employee of any other entity or party, nor shall she be self-employed, such as a consultant, without first obtaining the written consent of the City.

15. **Professional and Civic Associations.** The City will pay Stevens' professional dues and subscription fees to such national, regional, state, civic, and local governmental and professional associations and organizations that are reasonably necessary and desirable for Stevens' professional participation, advancement, improvement and growth and which will benefit her service to the City, as may from time-to-time be approved in advance by the City Council upon written request. The City recognizes the desirability of representation in and before local civic and other local organizations. Stevens is authorized to become a member of such civic clubs or organizations as deemed appropriate by her with the City's consent and at the City's expense. The City will pay Stevens' dues and fees for membership in the International City/County Management Association (ICMA) and Minnesota City/County Management Association.

16. **Professional Development.** The City will pay or reimburse Stevens for her reasonable time and subsistence expenses in attending meetings and events at which Stevens represents the City, or which are reasonably necessary or desirable for Stevens' professional development or which are reasonably required by reason of Stevens' membership in an organization, association or committee thereof for which membership the City pays Stevens' or the City's dues. Travel expenses for the annual conferences of the League of Minnesota Cities, Minnesota City/County Management Association, and ICMA are specifically approved. City shall budget and pay Stevens' travel and subsistence expense for professional and official travel, meetings and

occasions adequate to continue Steven's professional development. Stevens shall use good judgment in her outside activities so she will not neglect her primary duties to the City.

17. **Automobile.** Recognizing that Stevens will frequently be required to use her personal vehicle to perform her duties and obligations, the City shall provide Stevens with a \$450 monthly car allowance commencing on August 1, 2011 and on the first day of each month thereafter during the term of this Agreement.

18. Termination of Agreement.

A. Stevens' election to Terminate:

1. Notice. Stevens may voluntarily terminate this Agreement at any time after giving the City at least 30 days advance written notice of her intention to terminate.
2. Benefits. Upon her voluntary termination, Stevens shall be entitled to all her pension and all contract rights pursuant to State law. In addition thereto, Stevens shall be entitled to payment equal to the cash value computed at her current salary for all her accrued and unused vacation benefits not to exceed twice her annual allotment and all her accrued and unused sick leave benefits (subject to a maximum of 820 hours of unused sick leave).
3. Stevens' additional termination rights. If the City at any time during the term of this Agreement: (i) reduces Stevens' salary or other financial benefits in a greater percentage than across-the-board reductions for all other supervisory and confidential employees, (ii) refuses, following written notice, to comply with any other provisions of this Agreement benefiting Stevens, (iii) elects not to increase Stevens' salary following two consecutive evaluations as described in Paragraph 4 by percentage amounts equal to or greater than department head percentage increases or (iv) requests her resignation by vote of the City Council, Stevens, at her option, may upon thirty (30) days written notice tender her resignation and be entitled to the additional benefits described in Paragraph 18 (B)(1-2).

B. City's election to terminate. The City may terminate this Agreement, only upon an affirmative vote of at least five (5) members of the City Council at a regular or special meeting of the Council to discuss termination of the Agreement. Stevens' official termination date shall be not less than 30 days following the affirmative vote of the council. In the event the City terminates this Agreement without cause, Stevens, in addition to the benefits described in Paragraph 18 (A)(2), shall be entitled to the following additional compensation and benefits:

1. Six (6) months of her current salary (payable in addition to all compensation due through the last day of Stevens' work for the City). At her option, Stevens

may elect to take the payment in a lump sum or in six (6) monthly installments coinciding with the City's usual employee pay dates.

2. Continuation of all her group insurance benefits described in Paragraph 12 of this Agreement for six (6) months following her last day of work for the City.

19. **Indemnification.** The City shall defend, indemnify and hold harmless Stevens pursuant to Minnesota Statutes, Chapter 466.07 and Chapter 465.76. In addition, the City shall defend, hold harmless, and indemnify Employee from all torts; civil damages, penalties, and fines; violations of statutes, laws, rules and ordinances, provided the Employee was acting in good faith in the performance of the duties of the position. Nothing in this Paragraph shall be deemed to be a waiver by the City of any limitations on liability set forth in Minnesota Statutes, Chapter 466.

20. **Entire Agreement.** This agreement contains the entire representations and agreements of The Parties and all oral statements and representations prior to the execution of this Agreement shall be considered to have merged herein.

Date:

Date: _____

CITY OF WILLMAR

By: _____ Mayor


- Charlene Stevens _____