

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2018-17

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE MAYOR TO SIGN AN EMPLOYMENT AGREEMENT BETWEEN THE CITY OF UNALASKA AND THOMAS E. THOMAS TO SERVE AS CITY MANAGER OF THE CITY OF UNALASKA

WHEREAS, Unalaska Code of Ordinances § 2.24.010 empowers the City Council to appoint the City Manager; and

WHEREAS, the City is in need of the services of a City Manager; and

WHEREAS, the Unalaska City Council desires to retain the services of Thomas E. Thomas as City Manager upon the terms set forth in the Employment Agreement attached hereto; and

WHEREAS, Thomas E. Thomas desires to serve as City Manager of the City of Unalaska upon the terms set forth in the attached Employment Agreement.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the Mayor to sign the Employment Agreement between the City of Unalaska and Thomas E. Thomas to serve as City Manager of the City of Unalaska.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on February 13, 2018.



Dennis Robinson
Vice Mayor

ATTEST:



Acting City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Nancy M. Peterson, Interim City Manager
Date: February 13, 2018
Re: Resolution 2018-17, a Resolution of the Unalaska City Council authorizing the Mayor to sign an Employment Agreement between the City of Unalaska and Thomas E. Thomas to serve as City Manager of the City of Unalaska

SUMMARY: This Resolution will authorize the Mayor to sign an employment agreement with Thomas E. Thomas to serve as Unalaska's City Manager.

PREVIOUS COUNCIL ACTION: The City Council interviewed 4 candidates for the position of City Manager on February 4, 2018. Following the interviews, the City Council authorized the Mayor to negotiate a contract of employment with Thomas E. Thomas to serve as City Manager.

BACKGROUND:

DISCUSSION: Mayor Kelty and Mr. Thomas have come to a mutual agreement on the attached, negotiated Employment Agreement. The Council must approve the final terms of the proposed agreement.

ALTERNATIVES:

FINANCIAL IMPLICATIONS:

LEGAL: The City Attorney has reviewed the attached agreement.

STAFF RECOMMENDATION:

PROPOSED MOTION: I move to adopt Resolution 2018-17.

CITY MANAGER'S COMMENTS:

EMPLOYMENT AGREEMENT

THIS AGREEMENT is between the City of Unalaska, a municipal corporation of the State of Alaska, acting through its City Council, hereinafter referred to as "City", and Thomas E. Thomas, hereinafter referred to as "City Manager" or "Employee".

WHEREAS, the Unalaska Code of Ordinances (UCO) empowers the City Council to appoint and remove the Manager; and

WHEREAS, the City is in need of the services of a City Manager; and

WHEREAS, the Council of the City of Unalaska desires to retain the services of Thomas E. Thomas as its City Manager upon the terms set forth herein; and

WHEREAS, Thomas E. Thomas desires to serve as City Manager of the City of Unalaska upon the terms set forth herein.

THEREFORE, THE PARTIES AGREE AS FOLLOWS:

Section 1. Appointment.

- A. The Unalaska City Council appoints Thomas E. Thomas as City Manager subject to terms and conditions set forth herein. City Manager is an at-will Employee, who serves at the pleasure of the City Council.
- B. City Manager shall perform all duties and functions assigned to the City Manager by law or ordinance and such other duties and functions as the City Council shall from time to time prescribe.
- C. The parties understand and agree the position of City Manager is an executive position which routinely involves work in excess of eight (8) hours per day and forty (40) hours per week, and is intended to be exempt from the overtime compensation provisions of the Fair Labor Standards Act (FLSA).

Section 2. Hours of Accessibility.

- A. The City Manager shall be available and present in the city's offices, or other city facilities, during normal business hours Monday through Friday of each week, excluding holidays.
- B. The City Manager shall be accessible to the Mayor, City Council Members and City Department Heads via telephone on a 24 hour basis, seven days per week.
- C. The Mayor and City Manager, if necessary, may mutually agree to some flexibility in this schedule to accommodate the needs of both the Manager and the City.

Section 3. Term.

- A. This agreement shall commence March 19, 2018, and shall remain in effect for an indefinite term.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of City Manager at any time, subject only to the provisions set forth in paragraph 14(A).
- C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of City Manager to resign at any time from his position with Employer, subject only to the provisions set forth in paragraph 14(B).

Section 4. Salary.

- A. In consideration of the services to be rendered by City Manager, the City shall pay City Manager for services rendered hereunder an annual base salary of \$170,000 payable in installments at the same time as other employees of the City are paid.
- B. Consideration shall be given, on an annual basis, to an increase in compensation based on performance.
- C. In addition to the compensation in paragraphs 4(a) and 4(b):
 - 1. Employee will receive compensation for holidays recognized in UCO § 3.44.060.
 - 2. Employee will be afforded the same travel and per diem privileges as provided to all city employees and elected officials when conducting business outside of the City of Unalaska.
 - 3. Employee will be afforded the same travel benefit as provided to all city employees as set forth in UCO § 3.60.120.
 - 4. Employee shall be provided with a term life insurance policy in the amount of \$150,000 annually.

Section 5. Professional Development.

Employer recognizes that the duties of City Manager require a certain amount of travel by Employee including travel to meetings of the Alaska Municipal League (AML), Southwest Alaska Municipal Conference (SWAMC) and the International City/County Management Association (ICMA). The Employee will be provided with a Purchasing card to render payment for such travel, meals and entertainment, excluding alcohol.

Section 6. Dues and Subscriptions.

Employer agrees to pay the following dues and expenses on behalf of City Manager:

- A. Membership dues for AML and IC/CMA; and
- B. Actual and reasonable expenses for City Manager to attend AML legislative conferences and the annual meeting, the SWAMC annual conference, the IC/CMA annual conference and other conferences mutually agreed to in writing by both parties.

Section 7. Housing.

Employer agrees to provide City Manager with City Housing at the rental rate established by City policy, excluding utilities.

Section 8. Vehicle.

Employer agrees to provide City Manager with the exclusive use of a vehicle at all times during employment with the City. Employer shall provide for insurance, repair, operation, fuel and maintenance of said vehicle.

Section 9. Personal Leave.

City Manager shall accrue personal leave at the rate of eight (8) weeks per year. The City will provide 3 weeks of personal leave beginning on the commencement of the contract and then Employee will begin to accrue an additional 5 weeks of leave for a total of 8 weeks of leave annually.

Section 10. Retirement System.

- A. City Manager shall be covered by the State of Alaska Public Employees' Retirement System.
- B. In addition, the City shall contribute 5% of the Employee's base wage annually toward the ICMA-RC 457 plan.

Section 11. Medical Benefits.

City Manager shall be entitled to medical benefits as specified in UCO § 3.48.020.

Section 12. Evaluations.

City Manager shall be given a performance evaluation ninety (90) days before each anniversary date of this Agreement. The review shall be conducted in Executive Session unless requested to be in open session by the Employee.

Section 13. Moving Expenses.

- A. Employer agrees to pay direct to the shipping company for actual and necessary moving expenses to Unalaska, in an amount not to exceed \$9,000, plus four (4) one-way air fares for the Employee, Employee's spouse and two minor children to travel from the point of hire to Unalaska. Employee shall produce receipts for actual moving expenses to Employer.
- B. If City Manager voluntarily leaves employment with the city before completing 12 continuous months of employment, the City Manager will be required to repay the city for all moving expenses reimbursed. The repayment of the moving expenses may be waived by the City Council.
- C. Upon termination or non-renewal of this Agreement by Employer, Employer shall pay directly to the shipping company, the Employee's reasonable actual expenses of moving personal belongings from Unalaska, not to exceed Nine Thousand Dollars (\$9,000), plus four (4) one-way fares to the point of hire from Unalaska.

Section 14. Termination of Agreement.

- A. The City Council may terminate the City Manager at any time, for any reason or for no reason, by delivering to the City Manager written notice of termination. Said notice is not required to specify any reasons for the termination. In the event City Manager is terminated by Employer before expiration of the aforesaid term of employment and during such time that City Manager is willing and able to perform the duties of City Manager, Employer agrees to pay City Manager a lump sum cash payment equal to sixteen (16) weeks aggregate current salary plus accrued and unused personal leave, 4 months of medical insurance and life insurance (as outlined in section 4A), as of the date of termination in lieu of any and all other damages or monies that City Manager might claim.
- B. If the City Manager is terminated "for cause", including, but not limited to, any illegal act involving personal gain to the City Manager, then Employer shall have no obligation to pay any of the aggregate severance sum designated in this Section
- C. In the event City Manager voluntarily resigns his position with Employer before expiration of the aforesaid term of employment, then City Manager shall give Employer three (3) months' notice in advance and Employer agrees to pay City Manager any accrued and unused personal leave as of the City Manager's last day of employment. Provided that such notice is given, there will be no breach of this Agreement by reason of said resignation, and City Manager shall not be responsible for any damages hereunder.
- D. Prior to any termination for cause, City Manager shall be entitled to a hearing before the Council, at which he may be represented by counsel, present and cross-examine witnesses. Upon termination for cause, City shall not be responsible for making any payment of the balance of the City Manager's accrued annual leave to the date of termination.

E. Prior to any termination with or without cause the City Council or a representative thereof shall confer with the City Attorney.

Section 15. Title 3 Provisions Superseded.

This is an individual employment agreement as that term is used in UCO § 3.60.090 and supersedes provisions of Title 3 not specifically referenced and incorporated into this agreement.

Section 16. Indemnification.

City shall defend, indemnify and save harmless City Manager from and against losses, damages, liabilities, expenses, claims and demands arising out of any act or omission of City Manager while acting within the scope of City Manager's duties under this agreement.

Section 17. Entire Agreement.

The text of this Agreement constitutes the entire agreement between the parties. Any representations, statement, promises or understandings not contained herein shall be of no continued force, effect of validity.

Section 18. Severability.

The invalidity in whole or in part of any provision hereof shall not affect the validity of any other provision hereof and this Agreement shall remain in full force except as to such invalid provision.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on February 13, 2018.

ATTEST:

Mayor

City Clerk

EMPLOYEE:

Thomas E. Thomas