

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT made and entered into this 16 day of May 2017, by and between the CITY OF LITTLETON, STATE OF COLORADO, a home rule municipality, hereinafter called the "City," and Mark Relph, hereinafter called "Manager." The City and Manager may collectively be referred to in this Employment Agreement as "the parties."

WITNESSETH:

WHEREAS, the City desires to employ the services of Manager as City Manager of the City of Littleton, Colorado as provided by the Charter of the City of Littleton; and

WHEREAS, it is the desire of the City to provide certain benefits, establish certain conditions of employment and to set working conditions of Manager; and

WHEREAS, it is the desire of the City to secure and retain the services of Manager and to provide inducement for him to remain in such employment; and

WHEREAS, Manager desires to serve as City Manager for the City of Littleton.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained herein, the parties agree as follows:

1.0 Employment and Duties.

1.1 City employed Manager as Public Works Director on April 12, 2015. City hereby agrees to appoint Manager, and Manager hereby agrees to serve, as City Manager for the City. Manager shall perform the functions and duties specified in the Charter of the City of Littleton and perform such other legal and proper duties and functions as City Council shall assign.

1.2 The parties agree that the terms of this Employment Agreement do not supersede the provisions of the Charter of the City, and to the extent they do conflict with the Charter, the Charter shall control. The parties also agree that to the extent this Employment Agreement is in conflict with the provisions of the Littleton City Code or Personnel Policies, the Employment Agreement shall control.

2.0 Term and Severance Pay.

2.1 Manager has agreed to accept employment and perform duties as City Manager for the City beginning May 17, 2017, and shall continue working as City Manager for an indefinite term. Manager shall hold the position as City Manager at the pleasure of a majority of the City Council, until this Employment Agreement is terminated as provided herein or by mutual agreement of the parties.

2.2 Nothing in this Employment Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the service of Manager at any time and for any reason, subject only to the provisions set forth in the Charter of the City of Littleton. Provisions contained in the Littleton Personnel Policies relating to job performance, termination of employment for cause, or hearings relating to any disciplinary action shall not apply to Manager.

2.3 Nothing in this Employment Agreement shall prevent, limit or otherwise interfere with Manager's right to resign. In the event Manager wishes to resign his position with the City and remain in good standing, Manager shall give the City forty-five (45) days written notice in advance, unless the parties otherwise agree. In the event Manager voluntarily resigns, he shall not be entitled to severance benefits described in Section 2.5 of this Employment Agreement, unless the parties otherwise agree.

2.4 Manager agrees not to become employed by any other employer during his appointment as City Manager. Notwithstanding the foregoing, the term "employed" shall not be construed to include occasional teaching, writing, consulting work or other related activities performed by Manager outside of work, provided such activities do not constitute a conflict of any nature with Manager's work as City Manager. The City Council shall be the sole judge of such conflicts and its determination shall be final.

2.5 In the event the City decides to exercise its right to terminate the employment of Manager or offers Manager to resign in lieu of a termination of employment, Manager shall be paid a lump sum cash payment equivalent to the amount mandated in Section 51 of the Charter of the City of Littleton. Manager may also continue benefit elections through COBRA at Manager's expense. City will have no obligation to pay Manager under Section 51 in the event Manager engages in any of the following circumstances:

- a. Engaging in any of the following forms of misconduct: conviction of any felony; a determination of employee theft of City property or funds; any illegal use of any controlled substance; a determination after investigation of discriminatory behavior toward, or harassment of any person; or dishonesty, including without limitation, falsifying any document prepared in anticipation of, in connection with or as a result of Manager's employment by the City; or
- b. Engaging in misconduct or inattention to Manager's duties and responsibilities resulting in injury to the economic or ethical welfare of the City; or
- c. Engaging in any activity that the City Council, in its sole discretion, determines creates a legal conflict of interest with the City or objectively and reasonably creates the appearance of moral turpitude.

2.6 Upon termination or resignation of employment, Manager shall be entitled to the payment of accrued and unused vacation hours and floating holiday hours as provided in Section 5.2 below. Also, in the event Manager's sick leave exceeds 480 hours at the time of termination or resignation of employment. Manager may be eligible to have up to 96

sick leave hours converted to vacation hours to be paid to Manager at a rate equal to two sick leave hours for every one vacation hour.

3.0 Salary.

3.1 City agrees to pay the Manager for his services as City Manager an annual base salary of \$188,057.00, payable in installments at the same time and manner as other full-time management level City employees.

3.2 The City Council agrees to consider increases to Manager's annual base salary and/or other benefits in such amounts and to such extent as City Council in its sole discretion, may determine to be desirable on the basis of a salary review of Manager. Such review shall occur contemporaneously with Manager's performance reviews. City Council will consider, in any deliberation of Manager's compensation, the City Manager – Denver-Boulder Market Data – MSEC report. Manager will neither be guaranteed nor limited by any salary increases given to other City employees. Increases to Manager's annual base salary shall be accomplished through approval of a motion passed by a majority of the City Council without need to amend this Employment Agreement. Such increases shall be processed by the City's Human Resources Department in the same manner as other management-level City employees.

4.0 Hours of Work.

It is recognized and understood that Manager must devote additional time outside normal office hours to City business and to otherwise fulfill his duties as City Manager. To that end, the Manager will manage his schedule and will be allowed reasonable time off during his normal office hours without having to use vacation, sick or personal leave time, provided doing so will not adversely affect Manager's job performance or City activities.

5.0 Benefits.

5.1 In addition to the base salary described in Section 3.1 of this Employment Agreement, Manager shall receive such other benefits as follows:

- a. Health, dental and other insurance on the same terms and conditions as other management level full-time City employees;
- b. Life, supplemental life, accidental death, long-term disability on the same terms and conditions as other management level full-time City employees;
- c. Vacation, sick, holiday and any other leave permitted by the City of Littleton on the same terms and conditions as other management level full-time City employees;
- d. Statutory benefits such as Social Security and Medicare as other management level full-time City employees;
- e. City agrees to pay Manager a monthly vehicle allowance of \$525.00, for the purpose of purchasing, maintaining and/or operating a vehicle in connection with his duties as City Manager. Manager is responsible for the payment of any taxes, state or federal, associated with the vehicle allowance.

f. Participation in the City's defined contribution plan and/or any other retirement plans made available, on the same terms and conditions as other management level fulltime City employees;

g. City shall contribute \$18,000.00 to Manager's 457 deferred compensation account on the effective date of this Employment Agreement and, on the anniversary date of this Employment Agreement, an additional \$18,000.00 on each of the ensuing four years, for a total contribution of \$90,000.00. If Manager resigns or is terminated prior to an anniversary date, no additional 457 contributions will be paid; and,

g. Such other and further benefits as may be provided to other management level fulltime City employees, from time to time.

5.2 Manager shall accrue 152 hours of vacation leave prorated annually, 40 hours of annual floating holidays prorated annually, and sick leave at a rate of 8 hours per month.

6.0 Dues and Subscriptions and Professional Development.

6.1 City agrees to budget and to pay the professional dues of Manager necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and advancement, and for the good of the City.

6.2 City agrees to budget and to pay the travel and subsistence expenses of Manager to enable him to attend annual professional development (such as ICMA and CML) training and conferences, subject to development being in service of mutually agreed upon performance goals and the City's financial ability to fund such activities. Participation in professional organizations and voluntary programs are encouraged provided they are consistent with the responsibilities of the City Manager.

7.0 Expenses.

Manager may be required as a condition of employment to incur reasonable and necessary expenses in connection with his duties hereunder. Manager shall be reimbursed by the City in accordance with the City's expense reimbursement policy.

8.0 Defense and Hold Harmless.

City shall defend and hold Manager harmless, and from and against any tort, professional liability claim, or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Manager's duties as City Manager, unless such actions are determined by a court to be willful and wanton, in which case Manager shall reimburse the City for reasonable costs and attorneys' fees incurred in his defense in accordance with C.R.S. § 24-10-110(1.5) (a) and the City would not be obligated to pay any costs or damages incurred by or determined to be the responsibility of the Manager.

9.0 Evaluation.

The City Council shall review and evaluate the performance of Manager at least annually for the purpose of evaluating Manager's performance and compensation. The City Council shall use best efforts to complete the evaluation no later than June 1 of each year. Performance criteria will include the previous year's goals and objectives as established by the City Council. The City Council may also evaluate the Manager at any lesser interval, as it deems appropriate, within its sole discretion. Manager's compensation shall be evaluated in accordance with specific criteria developed jointly by the City Council and Manager. The criteria may be added to or revised by the City Council periodically, in consultation with Manager. The City Council shall provide an opportunity for discussion of the results of the evaluation with Manager.

10.0 Other Terms and Conditions of Employment.

The City Council, in consultation with City Manager, may fix any such other terms and conditions of employment, as it may determine from time to time, relating to Manager's performance, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Employment Agreement.

11.0 Compliance with Law

It is the intent of the parties to comply with the provision of Article X, Section 20 of the Constitution of the State of Colorado including, in particular, subsection 4(b). Therefore, the parties agree that this Employment Agreement is subject to an annual appropriation by the City Council and that the failure to make such appropriation will be deemed a termination without cause under Section 2.

12.0 Residency Requirement.

City agrees that Manager may continue to reside at 15409 West 95th Place, Arvada Colorado. If Manager sells or otherwise vacates that address during the term of this Employment Agreement, Manager shall be obligated to reside within the City of Littleton. If Manager moves within the corporate limits of Littleton, City agrees to reimburse Manager up to \$10,000.00 relocation costs upon presentation of receipts. During any period of time in which Manager resides outside of the City of Littleton, in the event of a public safety emergency or similar emergency or significant City issue that would ordinarily require the presence of the Manager, Manager will use best efforts under the circumstances to be present in Littleton for the duration of such events.

13.0 General Provisions.

13.1 The text herein shall constitute the entire agreement between the parties. This Employment Agreement may be amended only in writing, executed and approved by both parties.

13.2 The rights and obligations of the City under this Employment Agreement shall inure to the benefit of and be binding upon the successors and assigns of the City. Manager shall not assign or otherwise convey any of his rights and obligations hereunder without the express written permission of the City.

13.3 If any provision, or any portion thereof, contained in this Employment Agreement is held to be unconstitutional, invalid, unenforceable or void, the remainder of this Employment Agreement or any portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

13.4 The parties agree that this Employment Agreement shall be interpreted in accordance with the laws of the State of Colorado.

13.5 Paragraph headings are inserted for convenience only and in no way limit or define the interpretation to be placed upon this Employment Agreement.

13.6 Manager shall not assign or otherwise convey any of his rights and obligations hereunder without the express written permission of the City.

13.7 Manager acknowledges that during the course of his employment with the City Manager may obtain information which is confidential and/or privileged. Manager agrees to maintain all required confidentiality/privilege, including after his employment with the City were to end and will not divulge such information unless he is required by law to do so, and only after having advised the City of his belief of required disclosure and giving the City a reasonable opportunity, at least 10 business days if so available, to take action to prevent such disclosure.

13.8 Manager agrees that he may be provided equipment for official use by the City and that upon his separation Manager is required to return all City property, including City equipment provided to Manager during his tenure with the City, prior to Manager being provided his final paycheck.

IN WITNESS WHEREOF the City of Littleton, Colorado has caused this Employment Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and Manager has signed and executed the Employment Agreement, both in duplicate the date and year first above written.

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CITY OF LITTLETON

Bruce Beckman, Mayor

ATTEST:

Wendy Heffner, City Clerk

APPROVED AS TO FORM

Ken Fellman, Acting City Attorney

Mark Relph, City Manager