

**CITY CLERK  
ORIGINAL**

C-4427  
12/18/2001

C-4427

**TERMS AND CONDITIONS OF EMPLOYMENT AGREEMENT**

THIS AGREEMENT, made and entered into this 18<sup>th</sup> day of December, 2001, by and between the City of Glendale, Arizona, an Arizona municipal corporation, hereinafter called "Employer of City Council" as party of the first part, and Ed Beasley, hereinafter called "Employee or City Manager", as party of the second part, both of whom understand as follows:

**Recitals:**

A. Employer desires to employ the services of Employee as City Manager of the City of Glendale, as provided for in the Charter and Code of the City of Glendale, Arizona: and

B. It is the desire of the Governing Board, hereinafter called "City Council" to provide certain benefits, to establish certain conditions of employment and to set working conditions of said Employee: and

WHEREAS, Employee desires to accept employment as City Manager of the City of Glendale, Arizona:

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

**SECTION 1. Powers and Duties of the City Manager.**

The City Council hereby agrees to employ said Employee as City Manager of the City of Glendale, Arizona to perform the functions and duties specified in the City Charter and Codes, and to perform other legally permissible and proper duties and functions as the City Council shall from time to time assign, subject to this Agreement. Employment as City Manager shall commence on the first day of January, 2002, and the terms and provisions of this Agreement shall become effective upon January 1, 2002.

Neither the City Council nor any of its members shall direct or request the appointment of any person to, or removal from office by the City Manager or any of his subordinates, or in any manner take part in the appointment or removal of officers and employees in the service of the City, except where expressly provided for by City Charter or state law.

**SECTION 2. Term.**

A. The City Manager serves at the pleasure of the City Council and nothing herein shall be taken to prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the City Manager at any time subject only to the provisions of Section 3 of this Agreement.

B. In the event Employee voluntarily resigns as City Manager, then Employee shall give the City Council sixty (60) days advance notice unless the parties agree otherwise.

C. Employee agrees to remain in the exclusive employ of the City of Glendale during his Agreement. The term "employed" however shall not be construed to include occasional teaching, writing, speaking or consulting performed on Employee's vacation time off when outside compensation is provided for such services. Said activities are expressly allowed, provided that in no case is any activity allowed which would present a conflict of interest with the City of Glendale. Employee will maintain active involvement in the promotion of the city.

### SECTION 3. Termination and Severance.

A. The Glendale City Charter specifies that "The council shall appoint the city manager for an indefinite term and may remove him by a majority vote of its members. At least thirty (30) calendar days before such removal shall become effective, the council shall by a majority vote of its members adopt a preliminary resolution stating the reasons for his removal. Within ten days, the city manager may reply in writing and may request a public hearing, which shall be held not earlier than twenty (20) calendar days nor later than thirty (30) calendar days after the filing of such request. After such public hearing, if one be requested, and after full consideration, the council by majority vote of its members may adopt a final resolution of removal. By the preliminary resolution the council may suspend the manager from duty. If the removal is for malfeasance, or misfeasance in the performance of his duties or he shall be convicted of a crime involving moral turpitude, the council shall cause to be paid him any salary due him to the date of the preliminary resolution. Otherwise, the manager shall be paid forthwith upon his removal his salary for the next two calendar months following the adoption of the preliminary resolution of removal." City Council further agrees that if the removal is not for malfeasance, misfeasance or conviction of a crime involving moral turpitude, Employee shall be paid for ten months salary at his current rate in addition to the two months specified by the Charter.

B. For purposes of complying with this Section, appropriations held as unencumbered fund balances in any fund or account of the City shall be deemed to be available and authorized for transfer to the appropriate salary and benefit expenditure accounts to ensure fulfillment of this provision of the Agreement. The council will not unreasonably withhold appropriations authority to fund salary, benefits and pay-out provisions of this agreement.

### SECTION 4. Salary.

The City Council agrees to pay Employee for his services rendered pursuant hereto as City Manager an annual base salary of \$160,000, payable in installments at the same time as other employees of the City of Glendale are paid. The City Council agrees to consider increasing the City Manager's annual base salary after formal performance review by the Council. This shall be effective on the anniversary date of this agreement. In addition, the City Council may provide annual merit or periodic performance bonuses in its discretion.

**SECTION 5. Deferred Compensation/ICMA plans.**

A. Within 45 days of hire, the City of Glendale will develop a new ICMA 401(a) Executive Plan. The City Manager will be eligible for participation in this plan in addition to his participation in the current City of Glendale Voluntary Deferred Compensation Plan (the 457 Plan), or subsequent plan(s) or other plan(s) adopted by the City. The City will contribute 8% of the City Manager's gross salary to the new ICMA 401(a) Executive Plan. The new plan will also provide that when combined with contributions by the City of Glendale Employer and the City Manager to the City of Glendale Voluntary Deferred Compensation Plan (the 457 Plan), or any other applicable plan, total contributions for deferred compensation will not exceed the IRS annual maximum for deferred compensation. The new ICMA 401(a) Executive Plan will further provide that Employee shall be fully vested in all contributions by the City into the ICMA 401(a) Executive Plan and that Employee contributions to the ICMA 401(a) Executive Plan shall be optional, with no vesting schedule requirements for participation.

B. The City further agrees to pay on behalf of the City Manager into the City of Glendale Voluntary Deferred Compensation (the 457 Plan), or any subsequent or other plan(s) adopted by the City, in the maximum amount allowable by law (currently \$8,500 per year, with increases as allowed by law). City Council agrees to transfer ownership of City Manager's portion of said plans to succeeding employers upon Employee's resignation or discharge.

**SECTION 6. Retirement Benefits.**

The City Manager shall be covered and governed by the same retirement system as all other non-public safety employees.

**SECTION 7. Insurance Coverages.**

A. The City Manager shall be covered by the same health and dental plans as all other employees. The City's insurance plan consists of:

- Health-PPO
- Dental-Indemnity
- Life Insurance - 1x annual salary to next highest thousand dollar amount
- Vision Coverage through health insurance provider
- Long Term Disability coverage through Arizona State Retirement System
- Any other coverages that may be added by the City in the future and applicable to all other employees.
- In addition, the City will pay for the costs of an annual physical examination (and any related testing) to the extent not covered under the Health-PPO, including any deductible or co-pays.

Employer and Employee agree that upon termination or forced resignation of the Employee for any reason other than malfeasance, misfeasance in the performance of his duties or conviction of a crime involving moral turpitude, all insurance coverages provided by City to Employee and his dependants shall be continued for a period of twelve months following the date of

Employee's termination at no additional expense to Employee. In the event Employee becomes re-employed and obtains coverage under another group insurance program for himself and his family members who were covered by insurance on the date of termination; City's obligations under this provision shall terminate. City Manager shall be subject to such changes as the City may make from time to time in its insurance coverages applicable to all employees of the City.

B. The City shall purchase on behalf of the City Manager additional life insurance coverage such that, when combined with the coverage provided all other employees, total coverage shall be no less than 2 times the City Manager's current annual salary.

#### SECTION 8. Vehicle.

Employer shall provide a vehicle allowance of \$550.00 per month to the City Manager, payable on or about the first day of each month. In return for the vehicle allowance, the City Manager is expected to use his personal vehicle for all City business. All travel outside of Maricopa County shall be reimbursed at the mileage rate established by Internal Revenue Service.

#### SECTION 9. Other Benefits.

A. All provisions of the City Charter, rules and regulations of Employer relating to fringe benefits and working conditions as they now exist or hereafter may be amended, shall also apply to the City Manager as they would to all other employees of Employer, in addition to said benefits enumerated specifically for the benefit of the City Manager herein. Notwithstanding the terms of this Agreement, if the City increases benefits for other similarly situated employees in the management pay plan of the City; such increases shall apply to the City Manager, unless the parties provide otherwise. Nothing herein shall be interpreted to alter the City Charter provisions as they relate to the City Manager.

B. The City Manager shall be allowed to accrue vacation and sick leave at the rate set forth herein.

Vacation to be accrued pursuant to City policy.

Sick leave to be accrued at the rate of 12 days per year. The accrual limits for non-police employees of the City shall apply. City Manager may exercise the buy-out option for unused sick leave as other City employees. Upon termination, City Manager shall receive payment for any accumulated sick leave balance per City policy.

C. Employer shall bear the full cost of any fidelity or other bonds required of the City Manager under any law or ordinance.

D. The benefits provided to the City Manager under this agreement shall not be reduced or eliminated unless the City Council reduces such benefits for all similarly situated employees of the City.

**SECTION 10. Hours of Work.**

It is recognized that the City Manager must devote a great deal of time outside normal office hours to the business of the City. City Manager will be allowed to adjust his office hours, as he shall deem appropriate, so long as he is available and the management of the City is not harmed.

**SECTION 11. Professional Development.**

A. Employer agrees to budget for and to pay the professional dues, subscriptions, travel and subsistence expenses of the City Manager for professional participation and travel, meetings and occasions adequate to continue his professional development and to adequately pursue necessary official functions of the City.

B. City also agrees to budget and to pay for the travel and subsistence expenses of Employee for short courses, institutes and seminars appropriate for his professional development and for the good of the City.

C. Additionally, Employer encourages the City Manager to attain positions of leadership in national, state, regional and local associations and organizations relevant to his profession. Employer agrees to budget and pay for travel and subsistence expenses necessary for such official functions, including, but not limited to membership in the International City-County Management Association (ICMA) and the Arizona City-County Management Association (ACMA).

**SECTION 12. Residency.**

Employee agrees to maintain residence within the corporate boundaries of the City of Glendale, Arizona.

**SECTION 13. Performance Evaluation.**

The City Council shall review and evaluate the performance of the City Manager on or before the anniversary date of this Agreement, but in no event later than January 31 of each year following the anniversary date of this Agreement. The review shall be in accordance with specific criteria developed jointly by the City Council and the City Manager. Said criteria may be added to or deleted from as the City Council may from time to time determine, in consultation with the City Manager.

Annually, the City Council and the City Manager shall jointly define such goals and performance objectives that they determine necessary for the proper operation of the City of Glendale, Arizona, and in the attainment of the City Council's policy objectives and shall further establish a relative priority among those various goals and objectives; said goals and objectives to be reduced to writing.

**SECTION 14. Indemnification.**

Employer shall defend, hold harmless and indemnify the City Manager from any and all claims or demands, whether groundless or otherwise, associated with or arising out any alleged act or omission occurring in the course and scope of his employment with or the conduct of his duties with the City. The City will pay the amount of any settlement or judgment arising therefrom. Employer shall maintain comprehensive liability insurance coverage which covers the City Manager against any and all claims associated with or arising out of the course and scope of his employment with or the conduct of his duties with the City. The City may satisfy the provision of this section for liability insurance through its self insurance program.

**SECTION 15. General Provisions.**

A. The text herein shall constitute the entire Agreement between the parties.

B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Employee.

C. This Agreement shall become effective upon date set forth above upon its adoption and approval by the City Council of the City of Glendale, Arizona.

D. If any provisions or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full force and effect.

IN WITNESS THEREOF, the City of Glendale has caused this Agreement to be signed and executed in its behalf by its Mayor and duly attested by its City Clerk, and the City Manager has signed and executed this Agreement, both in duplicate, the day and year first written above.

Elaine M. Aruffo  
Mayor

Ed Beashy  
City Manager

ATTEST:  
[Signature]  
City Clerk

[Signature]  
City Attorney