

Date September 18, 2014

**RESOLUTION AUTHORIZING THE EXECUTION OF AN
EMPLOYMENT CONTRACT WITH THE CITY MANAGER**

WHEREAS, the City of Des Moines is governed by the Council-Manager-Ward form of government as provided in Sections 372.7 and 372.8 of the Iowa Code and the City Charter, and pursuant to such collective enactments, the City Council has appointed a new City Manager; and,

WHEREAS, in order to provide for and clarify the expectations of the City Council and the City Manager in the mutual interactions of each going forward, a written contract is desirable; and,

. WHEREAS, a written contract acceptable in form and content to the City Council between newly appointed City Manager Scott E. Sanders and the City of Des Moines is attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, as follows:

That the attached employment contract between newly appointed City Manager Scott E. Sanders and the City of Des Moines is hereby approved as to form and content, effective as of the 18th day of September, 2014.

MOVED by _____ to adopt.

FORM APPROVED:

City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MAHAFFEY				
MOORE				
TOTAL				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

Mayor

City Clerk

Date September 18, 2014

Agenda Item 3A

Roll Call # _____

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of September, 2014 by and between the City of Des Moines, Iowa (hereinafter referred to as the "City") and Scott E. Sanders (hereinafter referred to as "Sanders").

INTRODUCTORY STATEMENT

1. It is the desire of the City to employ Sanders as City Manager, and Sanders to accept appointment as City Manager.

2. The parties wish to establish terms and conditions of employment of Sanders as City Manager for the City.

IT IS THEREFORE AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. Appointment /Salary.

- a. The City shall employ Sanders as City Manager effective as of September, 2014 at a salary of \$195,000.00 per year; provided, however, that after six months of satisfactory performance, Sanders shall be eligible for a salary increase of 3%, which shall be presumed unless the Council specifically determines otherwise.
- b. Thereafter Sanders' salary shall be automatically adjusted periodically upon or following the evaluation date provided for below at a rate consistent with that provided to SPM employees, unless Council takes affirmative action at the evaluation to provide for a different amount of increase, if any. Sanders understands and agrees that any increase is always subject to Council's sole discretion as provided herein.
- c. Sanders shall devote his entire time and work efforts to such employment. Such employment shall end upon Sanders's resignation, death or termination for any reason by the City Council. Nothing in this Agreement shall be deemed to prevent or limit the right of the City Council of the City to determine that Sanders shall no longer serve as City Manager, subject to the provisions of paragraph 3 of this Agreement.

2. Duties/Evaluation. As City Manager Sanders shall perform any and all duties provided by the Iowa Code and the Municipal Code of the City of Des Moines. The City Council of the City shall conduct an annual evaluation of Sanders. The evaluation shall be completed as nearly as possible by January 1 of each year of employment, following the six month performance contemplated herein.

3. Termination/Severance Pay. In the event Sanders is involuntarily terminated by the City for any reason other than his death, conviction of a felony, aggravated misdemeanor, or any

public offense involving corruption, extortion, willful misconduct, moral turpitude, maladministration in office, willful or habitual neglect, or if Sanders refuses to perform the duties of office, he shall receive severance pay in the amount of six months of salary in the first six months of his employment as City Manager; thereafter, he shall receive one year of salary as severance unless terminated for a reason identified herein. Such severance pay shall be paid to Sanders, at his election, in one lump sum within thirty (30) days of his effective date of termination.

4. Automobile Allowance. In addition to the salary set forth above, Sanders shall receive the sum of \$500 per month as an automobile allowance for the operation of his own vehicle.

5. Vacation and Sick Leave Benefits.

a. Sanders shall continue to receive his current rate of accrual of sick leave. Sanders shall accrue vacation at the rate of four (4) weeks per year until the anniversary of his seventh year of employment with the City, at which point Sanders shall accrue vacation at the rate of five (5) weeks per year. Standard annual vacation accruals will thereafter be capped at five (5) weeks per year and Sanders' vacation bank balance will be subject to the same cap as all SPM employees in accordance with City policy thereafter. Upon termination or retirement from employment, Sanders will receive payment for accrued vacation and sick leave as is currently allowed for SPM personnel, subject to modifications that may be made to vacation accrual policy for SPM personnel. Sanders is encouraged to use vacation leave to the fullest extent possible given the demands and constraints of performing his duties as City Manager; provided, however, that Sanders shall not use more than two consecutive weeks of vacation except as required by state or federal law or otherwise approved by City Council.

b. Sanders may cash in up to one week of accrued vacation leave in calendar year 2015.

6. Deferred Compensation.

a. City currently matches Sanders' contribution to a deferred compensation account for Sanders at the rate of two and one half percent (2.5%) of Sanders' annual salary.

b. City agrees that it will approve a modified deferred compensation plan for Sanders at City expense, provided that the plan complies with all applicable laws and regulations, in the additional amount of 7.5% of salary.

7. Cellular Phone Allowance. The City shall pay Sanders a cell phone allowance of one hundred dollars (\$100) per month.

8. Other Employee Benefits.

a. Sanders shall receive the "SPM Benefits Package", except as modified herein, including but not limited to health insurance, life insurance, flexible benefits account, and IPERS contribution.

b. For health insurance coverage, if elected by Sanders, he will contribute a

monthly sum equal to fifteen percent (15%) of applicable premium costs, pro-rated among the regular bi-weekly City pay periods. Sanders understands that the amount of contribution may be varied by City Council from time to time and may be more or less than that charged to other SPM employees. Sanders shall be eligible for a two and one half per cent (2.5%) reduction to the premium upon completion of the wellness initiative offered by the City.

9. Professional Training/Dues. Sanders will participate in professional training activities and organizations, including without limitation ICMA membership and annual conference attendance, as well as attendance at other conferences and seminars in the areas of succession planning, media relations and the like. The City will budget, approve and pay for reasonable expenditures in support of such activities.

10. Strategic Planning. City Council and Sanders shall participate in a strategic planning process with an outside consultant acceptable to both City and Sanders at some point within Sanders' first year of employment as City Manager. The City will budget, approve and pay for reasonable expenditures in support of such activities.

11. Severability. The provisions of this Agreement are severable, and if any provision of this Agreement, or portion thereof, is held to be illegal, invalid or unenforceable, the remainder of this Agreement shall nevertheless be binding and enforceable.

12. Binding Effect. This Agreement shall be binding upon the City, including any successor public entity, and Sanders, and shall remain in full force and effect until altered or amended by mutual written agreement of the parties.

13. Entire Agreement. This Agreement represents the full and complete understanding and agreement of the parties, and supersedes all prior agreements, oral or written, concerning the subject matter hereof.

14. Survivability. The provisions of Paragraphs 3 & 5 above shall survive the term of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement on the ____ day of September, 2014.

Attested to:

CITY OF DES MOINES, IOWA

Clerk

Mayor

City Attorney

Scott E. Sanders