

## **CITY OF GRAND JUNCTION**

### **RESOLUTION NO. 07-16**

#### **A RESOLUTION AUTHORIZING THE HUMAN RESOURCES DIRECTOR AND WATERS & COMPANY TO MAKE A CONDITIONAL OFFER OF EMPLOYMENT TO GREG CATON**

##### **RECITALS:**

Over the past four months the City, with the assistance of Waters & Company, a national executive recruiting firm, has conducted an extensive process to identify, screen and ultimately select a candidate to be the next City Manager. The City Council emphasized through the process that the next City Manager must recognize and understand that the success of the City is directly related to the quality of the people it employs and the leadership those people deliver within the organization and the community.

Through a rigorous process including interviews with various community members, current and former City Managers, City employees and others, the Council has determined that one applicant is the most talented, experienced and best qualified to be Grand Junction's next City Manager. That candidate is Greg Caton. Mr. Caton is an experienced city manager and in addition to his skills and experience the Council has concluded that he would be the best fit for the job.

Based on many years of conducting successful placements, Waters & Company has unqualifiedly recommended Greg Caton for the position having identified through their processes that he possessed the requisite skills, experience and temperament to provide the City organization the appropriate leadership, motivation, modeled behavior and management style.

Accordingly the City Council has determined that it is proper to name Greg Caton as its selected candidate and to authorize Human Resources Director Claudia Hazelhurst and Waters & Company executive recruiter Chuck Rohre to extend an offer of employment to Mr. Caton. The offer is and shall be made expressly subject to and contingent on:

- 1) Caton's acceptance by his signature of the terms included in the attached agreement; and,
- 2) Following his acceptance final public consideration and approval of the offer by the City Council, which may include but not necessarily be limited to:
  - a) passage of an ordinance establishing the salary for the position pursuant to § 57 of the Grand Junction City Charter; and,

b) adoption of a separate resolution by the City Council pursuant to §56 of the Grand Junction City Charter appointing him as City Manager.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:

The Human Resources Director and Waters & Company executive recruiter Chuck Rohre, with assistance from the City Attorney, shall forthwith convey the attached proposed agreement together with this Resolution to Mr. Caton so that he may be considered as the next City Manager for the City of Grand Junction, Colorado.

Passed and adopted this 2<sup>nd</sup> day of March, 2016.



Attest:

Stephanie Lum  
City Clerk

Samuel Norris  
President of the Council

**CITY MANAGER EMPLOYMENT AGREEMENT  
CITY OF GRAND JUNCTION, COLORADO**

**Recitals:**

This Agreement, made and entered into this \_\_ day of \_\_\_\_\_ 2016, by and between the City of Grand Junction, a Colorado municipal corporation, (hereinafter called "Employer" or "City") and Greg Caton (hereinafter called "Employee" or "City Manager") a person who has the education, training and experience in local government management and who, as a credentialed member of ICMA, is subject to the ICMA Code of Ethics, agree as follows:

**Section 1: Term**

This agreement shall remain in full force in effect from \_\_, 2016 until ended by the Employer or Employee as provided in Section 9 or 11 hereof.

**Section 2: Duties and Authority**

Employer agrees to employ Greg Caton as City Manager to perform the functions and duties specified in the U.S. and Colorado Constitutions, Charter and Code of Ordinances for the City of Grand Junction and to perform other legally permissible and proper duties and functions on the City's behalf. Employee shall devote full time to City business and shall neither accept nor engage in any activity(ies), whether paid, unpaid or otherwise compensated, which interfere or may in the judgment of a majority of the City Council, interfere with the Employee's responsibilities to Employer.

**Section 3: Compensation**

Employer agrees to pay Employee an annual base salary of \$180,000.00. This agreement shall be amended, without need of a new agreement, to reflect any salary and/or benefit adjustments that are provided by the Employer.

Consideration shall be given on an annual basis to adjust direct and indirect compensation and severance benefits in accordance with the City's adopted salary survey methodology.

**Section 4: Health, Disability and Life Insurance Benefits**

The Employer agrees to provide and to pay the premiums for comprehensive health insurance for the Employee and dependents in a type and quality that is provided to all other employees of the City and 100% of the premium for dental insurance for the Employee and dependents.

The Employer agrees to provide and to pay 100% of the premiums for short term and long term disability coverage for the Employee in a type and quality that is provided to all other employees of the City.

The Employer shall pay the amount of premium due for term life insurance in the amount of one (1) times the Employee's annual total compensation, including all increases in the base salary during the life of this agreement. The Employee shall name the beneficiary of the life insurance policy.

**Section 5: Leave**

The Employee shall be credited with 80 hours of PTO from the effective date of the agreement. The Employee shall thereafter accrue PTO leave at the rate provided in the City Personnel Policy in effect as of the date of this agreement. The Employee shall for purposes of leave accrual be deemed to be a four year employee as of the effective date hereof.

The Employee is entitled to accrue all unused leave and in the event the Employee's employment is terminated, either voluntarily or involuntarily, the Employee shall be compensated, in addition to severance as defined herein, for all accrued leave time, all paid holidays and other benefits to the date of termination at a one for one rate. **The Employee's accruals less usage shall not exceed 3x his annual accrual.**

**Section 6: Automobile**

The Employer agrees to pay to the Employee, during the term of this Agreement and in addition to other salary and benefits herein provided, the sum of \$500.00 per month.

The Employee shall be responsible for maintaining a driver's license, paying for liability, property damage and comprehensive insurance coverage and shall further be responsible for all expenses attendant to the purchase, operation, maintenance and repair of his vehicle.

**Section 7: Retirement**

The Employee is enrolled in the ICMA Retirement Corporation ("ICMA-RC") Executive retirement plan. The City agrees to contribute 9 (nine) % of the Employee's base salary to the Employee's 401.

In addition to the Employer's payment to the retirement plan referenced above, the Employer agrees to execute all necessary agreements to enroll the Employee in the ICMA-RC Section 457 deferred compensation plan and the Employer agrees to pay an amount equal to 3 (three) % of Employee's base salary into the designated plan on the Employee's behalf, in equal proportionate amount each pay period.

The foregoing contributions are in addition to the Employers payment of Social Security/FICA for the Employee.

**Section 8: Other Financial Consideration**

Employer will pay, on a reimbursement basis without markup, a **one-time** moving allowance of up to \$7500.00.

Employer agrees to consider and as approved by Council budget for and to pay for professional dues and subscriptions of the Employee necessary for continuation and full participation in national, regional, state, and local associations, service club(s) and organizations necessary and desirable for the Employee's continued professional participation, growth, and advancement, and for the good of the Employer.

Employer agrees to consider and as approved by Council annually budget for and to pay for travel and subsistence expenses of Employee for professional and official travel, meetings and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for Employer, including but not limited to, the Colorado Municipal League, International City Management Association (ICMA) and such other national, regional, state and local groups and committees in which Employee is a member. Other continuing education, professional development and/or professional membership(s) or affiliations shall be requested by the Employee and considered and approved by Council in advance on a case by case basis.

The Employer shall provide Employee with office equipment such as a tablet computer and software, a cell phone stipend or City issued cell phone in accordance with City policy as well as an office computer the same or similar to that issued to other employees.

### **Section 9: Termination**

For the purpose of this agreement, termination shall occur when:

The majority of the governing body votes to terminate the Employee at a duly authorized public meeting; or,

If the citizens act to amend any provisions of the Charter pertaining to the role, powers, duties, authority, responsibilities of the Employee's position that substantially changes the form of government, the Employee shall have the right to declare that such amendments constitute termination; or,

If the Employer reduces the base salary or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all City employees, such action shall constitute a breach of this agreement and will be regarded as a termination; or,

If the Employee resigns following an offer to accept resignation in lieu of termination, whether formal or informal, by the Employer as representative of the majority of the governing body, then the Employee may declare a termination as of the date of the suggestion or offer to accept his resignation; or,

A breach of contract occurs, declared by either party and the breach is not cured within a 15 day cure period for either Employee or Employer. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 16.

If the Employee is charged and convicted of a felony and/or class I misdemeanor the Employer shall terminate this agreement and severance shall not be payable to the Employee.

If the Employee is charged with a felony and/or class I misdemeanor the Employer may terminate this agreement and severance shall not be payable to the Employee if as a result of the Employee being charged the City has been cast in a negative light and/or the actions of the Employee have brought the City and/or the City Council into disrepute.

If the Employee is credibly alleged by any person(s) in writing to have committed an act(s) of malfeasance and/or nonfeasance, willful breach or habitual neglect of duty(ies) within the scope of the Employees' employment the Employer may terminate this agreement and severance shall not be payable to the Employee if as a result of the allegations against the Employee the City has been cast in a negative light and/or the actions of the Employee have brought the City and/or the City Council into disrepute.

### **Section 10: Severance**

In the event the Employee is terminated by the Employer as described above and during such time the Employee is willing and able to perform his duties under this Agreement, then Employer agrees to pay 9 months' salary and benefits bi-weekly as severance.

### **Section 11: Resignation**

In the event that the Employee voluntarily resigns (is not asked to leave or his not suggested to resign in lieu of termination) his position with the Employer, the Employee shall provide a minimum of 30 days' notice unless the parties agree otherwise. The Employee is not entitled to severance pay or benefits upon resignation.

**Section 12: Performance Evaluation**

Employer no less often than annually, during the first quarter or each year, shall review the performance of the Employee subject to a process, form, criteria, and format for the evaluation which shall be mutually agreed upon by the Employer and Employee. The process at a minimum shall include the opportunity for both parties to: a) prepare a written evaluation, b) meet and discuss the evaluation and c) present a written summary of the evaluation results. A written annual evaluation should be completed and delivered to the Employee within 30 days of the evaluation meeting.

**Section 13: Hours of Work**

It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end Employee shall be allowed to establish his own appropriate work schedule.

**Section 14: Indemnification**

Beyond that required under Federal, State or local law, Employer shall defend, hold harmless and indemnify Employee 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 Employee's duties as City Manager or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act or omission involved willful or wanton conduct. The Employee may request and the Employer shall not unreasonably refuse to provide legal representation at Employer's expense and Employer may not unreasonably withhold approval. Legal representation, provided by Employer for Employee, shall extend until a final determination of the legal action including any appeals brought by either party. The Employer shall indemnify employee against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings including attorney's fees, and any other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his duties. Any settlement of any claim must be made with prior approval of the Employer in order for indemnification, as provided in this Section, to be available.

Employee recognizes that Employer shall have the right to compromise and unless the Employee is a party to the suit which Employee shall have a veto authority over the settlement, settle any claim or suit; unless, said compromise or settlement is of a personal nature to Employee. Further, Employer agrees to pay all reasonable litigation expenses of Employee throughout the pendency of any litigation to which the Employee is a party, witness or advisor to the Employer. Such expense payments shall continue beyond Employee's service to the Employer as long as litigation is pending. Furthermore, Employer agrees to pay Employee reasonable consulting fees and travel expenses when Employee serves as a witness, advisor or consultant to Employer regarding actual or pending litigation, whether while employed or after employment ends.

**Section 15: Other Terms and Conditions of Employment**

The Employer, only upon agreement with Employee, shall fix any other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement the Charter or ordinances of the City or any other law.

The Employee shall reside within the City limits on or before December 31, 2016 and shall continue to reside in the City during the term of his employment.

**Section 16: Notices**

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- (1) EMPLOYER: Human Resources Director with a copy to the City Attorney, 250 N. 5<sup>th</sup> Street, Grand Junction, CO 81501.
- (2) EMPLOYEE: Greg Caton\_\_\_\_ Grand Junction, CO 8150\_\_.

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil legal practice. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

**Section 17: General Provisions**

Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this agreement during the life of the agreement. Such amendments shall be incorporated and made a part of this agreement.

Binding Effect. This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

Effective Date. This Agreement shall become effective on \_\_\_\_\_2016.

Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

IN WITNESS THEREOF, the City Council of the City of Grand Junction, Colorado by and through the President of the Council and duly attested by the City Clerk and the Employee has signed and executed this agreement the day and year first written above.

\_\_\_\_\_  
Greg Caton  
Employee/City Manager

City of Grand Junction/Employer

\_\_\_\_\_  
Phyllis Norris President of the City Council

Attest:

\_\_\_\_\_

Stephanie Tuin  
City Clerk

Approved as to form:

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John P. Shaver  
City Attorney

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