

**CITY OF ROCK ISLAND, ILLINOIS
EMPLOYMENT AGREEMENT**

The purpose of this Employment Agreement (hereinafter, "Agreement") is to set forth certain matters of understanding between the City of Rock Island, (hereinafter, the "City") and Todd Thompson, (hereinafter, "Employee") regarding the position of City Manager. The City has asked Mr. Thompson to serve in such position under the terms and conditions as follows:

SECTION 1. COMMENCEMENT DATE

This Employment Agreement shall commence sixty (60) days following the City's approval and execution of this Agreement.

SECTION 2. DUTIES AND RESPONSIBILITIES:

Employee will perform the functions and duties of City Manager as set forth in Article III, Division 2, Section 2-68 of the Rock Island Code of Ordinances (which may be amended by City Council) and perform all other legally permissible and proper duties and functions as the City Council shall from time to time assign.

Employee, in his capacity as City Manager, shall be responsible to the Mayor and City Council for the proper administration of the business affairs of the City, the statutes of the State of Illinois, and the ordinances of the City of Rock Island, and the resolutions and directives of the Mayor and City Council.

Employee shall be subject to all provisions set forth in the City of Rock Island Employee Handbook for the City of Rock Island that are not in conflict with this Agreement. If there is a conflict between the City's Employee Handbook and this Agreement, then the provisions of this Agreement shall govern.

SECTION 3. SALARY:

The City agrees to pay the Employee, for his services rendered as City Manager, an annual base salary of One Hundred Seventy-Seven Thousand Five Hundred Dollars (\$177,500.00). The Employee will also receive five percent (5%) of his annual salary in deferred compensation through ICMA's 457 Plan.

Salary payments shall be made to the Employee on a bi-weekly basis and in accordance with the City's standard payroll practices.

The Employee's compensation will be reviewed annually. The City may change such base salary and/or other benefits of the Employee in such amounts and to such extent as the City Council may determine that it is desirable to do so on the basis of an annual performance evaluation of such Employee, taking into consideration adherence to goals and objectives established by the Mayor and City Council (See Section 10).

SECTION 4. HEALTH INSURANCE AND PENSION

The City agrees to provide major medical, dental, vision, prescription drug and Section 125 plan coverages for the Employee and his dependents as provided to other non-affiliated City employees.

The City agrees to make FICA, Medicare, Illinois Municipal Retirement Fund (IMRF) and International City Management Association – Retirement Corporation (ICMA-RC) contributions, as required by law, for the benefit of the Employee subject to the same terms and conditions as provided to other non-affiliated City employees.

SECTION 5. AUTO AND CELLULAR PHONE ALLOWANCE AND FITNESS CENTER MEMBERSHIP:

The City agrees to pay the Employee \$500.00 per month (\$6,000 annually) towards an automobile allowance. Auto allowance payments (\$6,000 divided by 26 pay periods) shall be made to the Employee on bi-weekly basis and in accordance with standard payroll practices. The Employee is responsible for all insurance, maintenance and gasoline expenses pertaining to the vehicle. The automobile allowance will compensate the Employee for required business travel in lieu of a mileage reimbursement.

The City will provide a city-owned cell phone for the Employee’s use or will reimburse Employee \$30.00 per month if he chooses to use his own phone for city business instead.

The City will provide a paid fitness membership for the Employee at a local health club.

SECTION 6. VACATION, SICK, PERSONAL, AND HOLIDAY LEAVE:

The Employee shall receive vacation, sick and personal leave as provided to other non-affiliated employees. The Employee shall begin his employment with the City with two (2) weeks (80 hours) of vacation and twenty (20) days (160 hours) of sick leave banked and available to the Employee for use upon commencing employment.

The Employee shall receive 6.2 hours of vacation leave per pay period (160 hours per year). The Employee may carry a vacation balance equal to 1.5 times their annual accrual (a maximum bank of 240 vacation hours) consistent with current City policy for non-affiliated employees. Following completion of the Employee’s first year of employment, the City will buy back up to forty (40) hours of the Employee’s accrued but unused vacation leave each year, at the Employee’s request.

The Employee shall receive 3.7 hours of sick leave per pay period (96 hours) upon hire. The Employee may accumulate up to a maximum of 1,040 hours, consistent with current City policy for non-affiliated employees.

The Employee shall receive 40 hours of personal leave per year at the start of new fiscal year (January 2023), consistent with current City policy for non-affiliated employees.

The Employee will receive Holiday Leave consistent with current City policy for non-affiliated employees.

SECTION 7. WORK HOURS:

The City's business and management affairs obligate the Employee to routinely work or represent the City beyond regular City Hall business hours or days. The Employee shall receive no overtime payment or compensatory time for such time. Provided the Employee's duties are met in a timely manner, the Employee's work day schedule may be flexed other than customary City Hall business office hours.

SECTION 8. PROFESSIONAL DEVELOPMENT AND COMMUNITY INVOLVEMENT:

The City agrees to budget and to pay for reasonable professional dues and subscriptions of the Employee necessary for 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, assuming that budgetary constraints allow for such budgeting.

The City agrees to budget for and to pay the travel and subsistence expenses of the Employee for professional and official travel, meetings and occasions adequate to continue the professional development of the Employee and to adequately pursue necessary official and other functions for the City.

The City encourages the employee to be personally involved in the community and participate in its activities and events. He is encouraged to attend and participate in community business, professional, historic or similar organizations.

The City encourages the Employee to become a member of at least one (1) community based organization such as Rotary, Kiwanis or other agency that has a community service mission. The City agrees to budget and pay for the Employee's costs of maintaining membership in such community service associations.

SECTION 9. RESIDENCY:

Within six (6) months from commencement of this Agreement, the Employee shall establish residency within the corporate limits of the City of Rock Island. Thereafter, Employee must maintain residence within the corporate limits during his tenure as City Manager. The Employee will adhere to the City's Residency Requirement Procedures, consistent with current City policy for non-affiliated employees. The City shall provide the Employee with relocation assistance in a lump sum amount of ten thousand dollars

(\$10,000.00). In the event the Employee voluntarily vacates the position or the Employee otherwise terminates this Agreement within the first twelve (12) months of his employment, Employee shall be obligated to repay the City the lump sum relocation assistance payment within thirty (30) days following his termination of the Agreement.

SECTION 10. PERFORMANCE EVALUATION:

The City Council shall review and evaluate the performance of the Employee following his first six (6) months of employment, and on an annual basis thereafter. Such review and evaluation shall be in accordance with specific criteria developed jointly by the City Council and the Employee. In consultation with the Employee, such criteria may be added to or deleted from as the City Council may from time to time determine. Further, the City Council shall provide the Employee with a written summary statement of the findings and provide an adequate opportunity for the Employee to discuss his evaluation with the City Council within an executive session. The failure of the City to complete the matters set forth in this paragraph shall not constitute a breach of this Agreement provided they are completed within 30 days upon written request of the Employee.

The Employee shall evaluate department directors on at least an annual basis.

SECTION 11. OUTSIDE EMPLOYMENT:

The Employee shall not spend time in outside activities, such as teaching, counseling or other non-City connected business that may impede or interfere with the Employee's employment responsibilities without the prior written approval of the City Council.

SECTION 12. INDEMNIFICATION:

The City shall defend, save harmless and indemnify the Employee, against any tort, professional liability claim or other demand or legal action arising out of an alleged act or omission occurring in the performance of the Employee's duties as City Manager, provided that such alleged act or omission does not constitute intentional conduct or criminal conduct as set forth in the Illinois Compiled Statutes (720 ILCS 5/) Criminal Code. The Employer will pay the amount of any settlement or judgment resulting from such a claim against the Employee to the extent permitted by law. It is agreed, however, that there is no obligation on the part of the City to pay for any punitive damages assessed to the Employee.

SECTION 13. BONDING:

The City shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 14. TERM; TERMINATION AND SEVERANCE PAY:

Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the Employee at any time, subject only to the provisions set forth in this Section.

The City Council may discipline the Employee for just cause as determined by City Council. This discipline may include a reprimand, suspension with or without pay, and termination. Prior to reprimand, suspension or termination, the Employee shall be allowed the opportunity for a pre-disciplinary hearing. The hearing shall proceed only after the Employee has had five (5) days written notice regarding the basis for reprimand, suspension or termination. The Employee shall be allowed to present witnesses and documents and answer City Council questions in an attempt to refute any allegations. Upon a simple majority request of the City Council, the Employee hearing shall be requested through the Mayor and will occur before the City Council within an executive session.

If the City Council has reason to discipline the Employee, it shall be done in a manner that will not embarrass the Employee before other City employees or the public.

The Employee shall hold this position at the will and sole pleasure of the City Council and may be disciplined or removed on the affirmative vote of a simple majority of that body in accordance with Article III, Division 2, Section 2-70 of the Code of Ordinances. The Employee is not under the protection of the Employee Handbook or any implied contract other than this document with regard to termination or removal.

The Employee may resign from his position of his employment at any time upon sixty (60) days' prior written notice to the City; such time may be shortened at the discretion of the City. Employee shall be entitled to all leave payouts as are accorded other non-affiliated employees of the City.

In the event the Employee is terminated by the City Council during such time as the Employee is willing and able to perform his duties under this Employment Agreement, then the City agrees to provide severance pay equal to twenty (20) weeks of annual salary payable on a bi-weekly basis and in accordance with standard payroll practices. Severance pay will only occur if Employee executes and delivers to the City a complete release agreement in form and substance reasonably acceptable to the City.

However, in the event the Employee is terminated because of:

- 1) his conviction of any felony or any illegal act involving personal gain to him; or
- 2) for any other crime of moral turpitude; or
- 3) a violation of the City's drug and alcohol policy; or
- 4) the abandonment of his position without cause attributable to the City; or
- 5) willful misconduct or gross neglect of his duties and responsibilities as City Manager which has or is likely to result in material damage to the City; or

- 6) willful violations of City policies of a serious nature, including, but not limited to, the City's Sexual Harassment Policy, Harassment/Bullying Policy, or policy prohibiting Threats and Violence in the Workplace; or
- 7) any willful, knowing, or negligent misapplication or misuse, direct or indirect, which results in personal gain by the Employee of public or other funds or other property, real, personal, or mixed, owned by or entrusted to the City, any agency or corporation thereof, or the City Manager, in his official capacity;

then the City shall have no obligation to pay the severance sum designated in this Section. In the event this Agreement is terminated by the City at any time for one or more of the causes described in this Section, the Employee shall be entitled only to payout of any accrued but unused vacation, personal, and sick time in accordance with then-current City policies for non-affiliated employees.

This Agreement shall be in effect from the commencement of this Agreement (60 days following City Council approval and execution of the Agreement). This Agreement shall be renewed on an annual basis thereafter upon written agreement of the City and Employee. Should the City decline to renew the Employee's contract, the City agrees to the continued employment of the Employee for a sixty (60) day transition period beyond the term of the Employment Agreement (or the date following expiration of the contract in which Employee was advised that contract would not be renewed) to assist in the transition in the City Manager's Office. Employee must work in "good faith" for this 60 day period or the City may cease the relationship and Employee shall be entitled to severance pay equal to twenty (20) weeks of salary, payable on a bi-weekly basis and according to normal payroll practices. Good faith effort shall mean Employee is present (reasonable absences withstanding), makes progress toward mutually agreed upon goals and objectives, and conducts himself in a professional manner. At the expiration of the 60-day transition period, Employee shall be entitled to severance pay equal to twenty (20) weeks of salary, payable on a bi-weekly basis and according to normal payroll practices.

Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the City Council to terminate the services of the Employee at any time during the employment term or any renewal thereof subject to the provisions of this Section.

SECTION 15. GENERAL PROVISIONS:

This Agreement constitutes the entire agreement between City and Employee. This Agreement may be amended only by written agreement, signed by City and Employee.

This Agreement shall inure to the benefit of the heirs at law and executors of Employee.

If any provision of this Agreement is held invalid or unenforceable, the remainder will be unaffected.

This agreement is effective beginning on or about sixty (60) days following the City's approval and execution of this Agreement.

