



COUNCIL DECISION REQUEST

SUBJECT: Town Manager

MEETING DATE: 10-15-15

SUBMITTED BY: Michael Hughes, Vice Mayor

SUBMITTAL TO AGENDA
APPROVED BY TOWN MANAGER

AMOUNT BUDGETED:

EXPENDITURE REQUIRED:

EXHIBITS (If Applicable, To Be Attached): Proposed Contract

POSSIBLE MOTION

I move to approve the contract with LaRon Garrett as Town Manager of the Town of Payson effective October 1, 2015 and authorize the Mayor to sign the contract documents.

SUMMARY OF THE BASIS FOR POSSIBLE MOTION:

At the September 17, 2015 Town Council Meeting LaRon Garrett was appointed to the position of Payson Town Manger. The appointment was effective October 1, 2015. The motion also included direction for the two Council members from the Budget Committee, the Town Attorney, and Mr. Garrett to negotiate a contract to be brought back to the Council for approval. The contract has been negotiated and is attached.

PROS:

Approval will finalize the employment of the new Town Manager

CONS:

FUNDING:

Acct:	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:
Acct:	Budget:	Available:	Expense:	Remaining:

FM: _____ Date: _____

**EMPLOYMENT AGREEMENT
TOWN MANAGER**

This Agreement is made and entered into this _____ day of October, 2015, by and between the Town of Payson, An Arizona Municipal Corporation (the "Town"), and LaRon G. Garrett (the "Manager"), collectively the "Parties".

RECITALS

- A. The Town desires to employ the individual services of LaRon G. Garrett as and for the Town Manager of the Town of Payson, Arizona.
- B. LaRon G. Garrett desires to accept employment as Town Manager of the Town of Payson, Arizona, in accordance with the terms and provisions of this Agreement.
- C. The Town and the Manager desire to reduce the major terms and conditions of employment to writing.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the Parties agree as follows:

- 1. *Duties.* The Town agrees to employ LaRon G. Garrett as Town Manager for the Town of Payson, Arizona to perform the functions and duties specified in A.R. S. § 9-303, the Town Code and ordinances of the Town of Payson, and further to perform such other legally permissible and property duties and functions as the Mayor and Common Council of the Town of Payson shall from time to time assign and direct. The Manager shall be an exempt employee of the Town.
- 2. *Term.* This Agreement shall be of a continuing nature, provided, however, that:
 - a. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Mayor and Common Council to terminate the services of the Manager at any time, with or without cause, subject only to applicable law and the provisions set forth in paragraph 3 hereunder
 - b. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Manager to resign at any time, subject only to the provisions in paragraph 2.d herein.
 - c. This agreement shall be effective upon execution by both parties retroactive to October 1, 2015.
 - d. The Manager shall provide the Town with sixty (60) days' written notice in advance of his intention to voluntarily resign employment with the Town
- 3. *Termination and Severance Pay.*
 - a. In the event Manager resigns or is terminated by the Mayor and Common Council during such time the Manager is willing and able to perform the duties of Town Manager, then in that event the Town agrees to pay Manager severance pay as provided herein; provided, however, that in the event Manager is terminated because of Manager's conviction of any illegal act involving personal gain to the Manager, or of any crime of moral turpitude, or if Manager is terminated as a result of an alcohol or drug related offense, including, but not limited to, driving under the influence, then, in such event, the Town shall have no obligation to provide the Manager with any

severance pay, but may terminate the Manager without further obligation on the part of the Town.

- b. In the event of resignation or termination as provided in subsection (a.) hereinabove, the Manager shall be entitled to receive from the Town severance pay, exclusive of benefits, to be paid on a monthly basis following the Manager's separation from employment for six months. The Manager shall not be entitled to receive severance pay if the Manager voluntarily resigns of his own volition.
4. *Salary.* The Town agrees to pay Manager for Manager's services a beginning annual base salary of One Hundred Forty Four Thousand, Two Hundred Forty Eight Dollars (\$144,248.00) per year, payable in twenty-six (26) equal installments. Manager shall be eligible for pay increases available to Town employees. Any adjustments to such annual salary or other benefits provided to the Manager will be made, if at all, at the time of the annual performance review.
5. *Vehicle Usage.* The Manager shall be entitled to continue the use of a Town vehicle for commuting to work, for work related activities, and incidental personal use. Manager shall be responsible for payment of the personal tax on the use of the Town vehicle. In the event the Manager uses a personal vehicle for work related activities, actual mileage shall be reimbursed at the then current federal approved rate of reimbursement, currently \$0.575 per mile.
6. *Dues, Subscriptions, and Professional Development.* To the extent permitted by budget constraints, reasonable amounts for payment of dues, subscriptions, and professional development costs will be included in the annual budget process.
7. *General Expenses.* The Town recognizes that certain expenses of a non-personal and job affiliated nature may be incurred by the Manager, and hereby agrees to reimburse or to pay such general expenses in accordance with the general policies of the Town.
8. *Personal Time Off (PTO).* The Manager shall retain the current PTO hours in his account. The Manager shall continue to be subject to the PTO accrual, carry forward and buy out regulations in the current personnel manual Section 5.1.3(D) based on the original date of Town employment of November 28, 1994. In addition, Manager will receive three (3) days of personal leave each calendar year, but shall not be permitted to carry over past the end of each calendar year any unused amount of such personal leave.
9. *Health Insurance.* Town agrees to continue in force and maintain those insurance policies provided by the Town to its employees, in the same manner as such insurance is provided to employees of the Town generally based on the original date of Town employment of November 28, 1994.
10. *Retirement/Deferred Compensation.* The Town will continue to contribute the required matching amounts to the Arizona State Retirement System (ASRS) on behalf of the Manager as provided to all Town full time employees.
11. *Cellular Telephone.* The Town shall provide the Manager at no cost a cellular telephone for telephone calls, texting, email, data, internet service, etc., for town and personal use.
12. *Other Benefits.* Except as specifically provided for or prohibited herein, Manager shall be provided the same benefits in the same manner as provided to other exempt employees of the Town.
13. *Annual Review.* The Mayor and Common Council will conduct a review of the Manger's performance annually. Such review and evaluations shall follow criteria and procedures determined by the Mayor and Common Council. The Parties agree that the primary purpose

of such review and evaluation is to facilitate open and frank discussions, define roles and expectations, identify performance, strengths and weaknesses, and provide an opportunity for Manager to take affirmative action to address weaknesses and areas needing improvement and to also provide the opportunity to reaffirm and fortify areas of strength and competency. This review shall be due on the anniversary date of this Agreement

14. *Other Terms and Conditions of Employment.*

- a. The Mayor and Common Council shall fix any other terms and conditions of employment as it may determine from time to time, provided such terms and conditions are not inconsistent or in conflict with the provisions of this Agreement, the Town Code, or any other provision of law.
- b. All provisions of the Town Code, Personnel Rules, and regulations of the Town not inconsistent or in conflict with the provisions in this Agreement relating to personal time off, personal days, holidays, benefits and working conditions, as they now exist or hereafter may be modified, based on the original date of Town employment of November 28, 1994, also shall apply to the Manager as they would to other exempt employees of the Town in addition to the benefits specifically enumerated herein, and except as herein provided.

15. *General Provisions.*

- a. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter contained in this Agreement. All prior and contemporaneous agreements, representations and understandings of the Parties, whether oral or written, are superseded by and merged into this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by the Parties.
- b. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs at law, executors and administrators of the Manager.
- c. Severability. If any provision or portion of this Agreement is declared unconstitutional, void or unenforceable by a court of competent jurisdiction, such provision or portion shall be severed from this Agreement, which shall otherwise remain in full force and effect.
- d. Headings and Counterparts. The headings of this Agreement are for the purpose of reference only and shall not limit or define the meaning of any provision of this Agreement. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.
- e. Dispute Resolution. This Agreement shall be governed and construed in accordance with the internal laws of the State of Arizona. Any dispute, controversy, claim or cause of action arising out of or related to this Agreement may, but in no event need, with the written consent of both Parties be settled by submission to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, et seq., and judgment upon any award rendered by the arbitrator(s) shall be entered in the Superior Court of Gila County, Arizona, or any such dispute, controversy, claim, or cause of action may be litigated in the Superior Court of Gila County, Arizona. The venue for any such dispute shall be Gila County, Arizona. Both Parties consent in advance to such venue and jurisdiction and waive any right to object to Gila County as an inconvenient or improper forum based upon lack of venue. Neither Party shall be entitled to recover from the other

party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy, claim, or cause of action, but each party shall bear its own attorneys' fees without contribution from the other party, whether the same is resolved through arbitration, litigation in a court, or otherwise.

- f. Cancellation. This Agreement is subject to the provisions of A.R.S. § 38-511, the terms of which are incorporated herein.
- g. Construction. This Agreement shall be construed according to the internal law of Arizona without the application of any principles of conflicts of law that would require or permit the application of the laws of any other jurisdiction. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

IN WITNESS WHEREOF, the Town of Payson, Arizona has caused this Agreement to be signed and executed on its behalf by its Mayor and to be duly attested by its Town Clerk, and the Manager has signed and executed this Agreement, on the date first above written.

MANAGER

**TOWN OF PAYSON,
An Arizona municipal corporation**

LaRon G. Garrett

By _____
Kenny J. Evans

ATTEST:

Silvia Smith, Town Clerk

APPROVED AS TO FORM:

Hector M. Figueroa, Town Attorney