



CITY OF SAFFORD • CITY COUNCIL EXECUTIVE SESSION • WEDNESDAY, JUNE 10, 2020 at 5:00 p.m. MEETING LOCATION: SAFFORD LIBRARY PROGRAM ROOM • 808 S. 7TH AVE SAFFORD, ARIZONA
“The mission of the City of Safford is to make Safford a great place to live, work, and visit”

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1. **WELCOME AND CALL TO ORDER:** (Reminder: Please turn off cell phones)
2. **ROLL CALL:**
3. **PLEDGE OF ALLEGIANCE:**
4. **OPENING PRAYER:**
5. **CITIZEN COMMENTS ON AGENDA ITEMS:**
6. **CITIZEN COMMENTS ON NON-AGENDA ITEMS:**
7. **EXECUTIVE SESSION:** The City Council will enter executive session, pursuant to Arizona Revised Statutes §38-431.03(A)(1)(5).

1. The Mayor and City Council will discuss the offer to the candidate for the City Manager vacancy.

INFORMATION/DISCUSSION

The City Council may reconvene regular session to take action.

8. **CITY MANAGER CONTRACT:** The Mayor and City Council will review and possibly approve the City Manager Employment Agreement between the City of Safford and John Cassella.
INFORMATION/DISCUSSION/ACTION

9. **ADJOURN:**

Tamara Webster, City Clerk

Posted: June 9, 2020

*In accordance with Section 2.04.120 of the Municipal Code of the City of Safford, and Arizona Revised Statutes §§38-431.01 et seq., and 38-431.02 et seq., notice is hereby given to the members of the general public that the City of Safford will hold the above Council Meeting. Members of the City of Safford Council may attend either in person or by telephone conference call. The City Council reserves the right to take action upon any item on the agenda. **DECLARATION ON CONFLICT OF INTEREST:** Council members and staff have a right to declare a conflict of interest. The declaration of a conflict of interest must be made prior to discussion of any agenda item in which Council members or staff member determine they have a conflict of interest. The Council may adjourn at any time into executive session. Meeting Agendas are available on the city's website at: www.cityofsafford.us.*

CITY MANAGER
EMPLOYMENT AGREEMENT

THIS CITY MANAGER EMPLOYMENT AGREEMENT ("Agreement") is made effective July 1, 2020 ("Effective Date") by and between John Cassella ("Employee") and the City of Safford, a municipal corporation ("City").

RECITALS:

A. WHEREAS, the Safford City Council and the Employee believe that an employment agreement negotiated between the City and the Employee can be mutually beneficial to the City and Employee; and

B. WHEREAS, when appropriately structured, the City and the Employee believe an employment agreement can strengthen the Council-Manager relationship by enhancing the excellence and the continuity of the management of the City for the benefit of its citizens; and

C. WHEREAS, the City desires to employ the services of the Employee as the City Manager of the City pursuant to the terms, conditions and provisions of this Agreement; and

D. WHEREAS, the Employee has agreed to accept employment as the City Manager, subject to the terms, conditions and provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, Employee and City agree as follows:

AGREEMENT:

SECTION 1. SCOPE OF WORK

A. The city appointed John Cassella as the City Manager of the City of Safford, Arizona on July 6, 2020 to perform the functions and duties of that position as specified in the City code of the City of city of Safford, and to perform other legally permissible duties and functions as the Council shall assign.

B. The Employee will be subject to the direction of the City Council in accordance with the applicable provisions of the Arizona Revised Statutes, the City of Safford Municipal Code, all City of Safford Personnel Manual requirements, the Mission, Vision, and Goals and Objectives as established by the City Council, the provisions of this Agreement, and all other established rules, regulations, ordinances, and policies of the City.

C. Council has appointed John Cassella as City Manager for an indefinite term.

D. City may remove the City Manager at any time subject only to applicable provisions of the City Code and consistent with the provisions in the section of this Agreement titled "Termination." Nothing in this Agreement is intended, nor shall be construed in any way to create a definite term of employment for the City Manager of the City or to in any way abridge or limit the right of Council to terminate the City Manager at any time at the will of the Council subject to the provisions in the section of this Agreement titled "Termination."

E. John Cassella shall assume the duties of City Manager from the current City Manager on July 6, 2020 ("Commencement Date").

SECTION 2. COMPENSATION.

A. In consideration of Employee's performance in a satisfactory manner the City will pay a base annual salary of One Hundred Thirty Thousand Dollars (\$130,000.00), plus any specified benefits, payable in installments at the same time as other employees of the City are paid.

B. The Employee's base salary may be increased as determined by the City Council in compliance with applicable law or as provided through the adoption of the City's annual budget as a result of an increase in the compensation of other non-uniformed City employees and at the direction of City Council.

SECTION 3. BENEFITS.

A. The City will provide health, vision, and dental insurance for City Manager and his dependents. The City Manager will pay the employee share of premiums for basic health, dental, and vision insurance elected by the City Manager for himself and his dependents. Any additional and optional benefits available or which may become available to employees will also be available to the City Manager, and the City Manager shall pay the employee share for such benefits. The City shall provide the maximum employer-provided life insurance policy for City Manager, and the City Manager shall pay the employee share for such coverage.

B. The City will enroll City Manager into the Arizona State Retirement System ("System") and make all the appropriate contributions on the Employee's behalf. Employee will pay any applicable employee contribution portion prescribed by the System. City and Employee acknowledge the System includes long-term disability coverage.

C. Employee will be eligible to participate in any deferred compensation plan offered to other employees of the City.

D. Employee will relocate into a permanent residence in the City no later than six (6) months following the Effective Date of the Agreement. A ten thousand dollars (\$10,000) housing incentive is available upon purchase of a home within the Safford city limits within twelve (12) months.

SECTION 4. VACATION AND SICK LEAVE.

A. Upon the Effective Date, Employee will accrue vacation leave on an annual basis at a rate of 12 hours per month, with a maximum of 360 hours.

B. Employee will accrue sick leave on an annual basis at a rate of 8 hours per month, with a maximum of 720 hours.

C. Employee may observe the recognized holiday's, in accordance to city policy.

D. Employee is entitled to accrue all unused leave subject to the maximums prescribed in Sections A and B above, and in the event the Employee's employment is terminated, either involuntarily or by resignation, the Employee will be compensated for accrued vacation and sick leave in accordance with current City policy.

SECTION 5. AUTOMOBILES.

The City will pay to Employee the sum of five hundred dollars (\$500.00) per month as a vehicle allowance to be used to own, operate, and maintain a vehicle. Employee will be responsible for paying liability, property damage, personal injury protection and comprehensive insurance coverage upon such vehicle and will further be responsible for all expense's attendant to the operation, maintenance, and repair of said vehicle. Insurance will be provided pursuant to a form of coverage in amounts reasonably acceptable to the City and which names the City as an additional insured. Automobile insurance provided by Employee will be primary and any insurance coverage under the City's insurance program will be secondary. The City will reimburse Employee for City business trips over fifty (50) miles one way at the GSA Federal Travel Regulation standard mileage rate.

SECTION 6. EXPENSES.

A. The City will budget up to two thousand dollars (\$2,000) annually to pay for professional dues and subscriptions of Employee necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for Employee's continued professional participation, growth, and advancement, and for the good of the City.

B. The City will budget up to five thousand dollars (\$5,000) annually 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 the City, including but not limited to the ICMA Annual Conference, functions of the Arizona League of Cities and Towns, and such other national, regional, state, and local groups and committees in which Employee serves as a member. Short courses, institutes, and seminars are included that are necessary for the Employee's professional development and for the good of the City.

C. The City will reimburse Employee for other reasonable general expenses incurred within the scope of Employee's employment as City Manager. The Financial Officer is authorized to disburse such moneys upon receipt of duly executed expense or petty cash vouchers, receipts, statements, or personal affidavits.

D. The City acknowledges the value of having Employee participate and be directly involved in local civic clubs or organizations. Accordingly, the City will pay for the reasonable membership fees and/or dues to enable the Employee to become an active member in local civic clubs or organizations.

E. The City will provide Employee with a computer, software, and cell phone required for Employee to perform the job and to maintain quality communications.

SECTION 7. HOURS OF WORK.

The City understands that Employee may devote a great deal of time outside normal office hours to the requirements of the City. Employee is allowed to adjust office hours as he will deem appropriate so long as he is reasonably available to staff and council members and the operation of the City is not harmed.

SECTION 8. RESTRICTIONS.

Employment under this Agreement will be Employee's sole employment.

SECTION 9. PERFORMANCE EVALUATION.

The City Council will review Employee's performance at least annually subject to a process, form, criteria, and format for the evaluation mutually agreed upon by the members of the City Council and Employee. The purpose at a minimum will include the opportunity for both parties to: (1) prepare a written evaluation, (2) meet and discuss the evaluation, and (3) present a written summary of the evaluation results. Any final written evaluation should be completed and delivered to Employee within 30 days of the evaluation meeting.

SECTION 10. EMPLOYMENT TERMINATION.

A. Employment may be terminated by the City or by Employee's resignation.

B. On termination of employment of Employee by reason of involuntary removal from service other than for willful misconduct in office defined as (i) conviction of any misdemeanor or felony, (ii) participation in a fraud or embezzlement against the City, or (iii) breach of this Agreement if such breach continues after Employee is timely notified of such breach and fails to cure same within 30 days of receipt of such notice; Employee will receive cash severance pay in a lump sum equal to six (6) months' salary.

C. Severance pay shall be computed at the highest salary received by the Employee during his service with the City. Prior to the delivery of the severance payment provided in this Section 10.B, and as a condition to Employee's receipt of such severance payment, Employee agrees to execute and deliver to the City a release (provided by the City and in form and content/substance acceptable to legal counsel for the City), effective as of the employment termination date, releasing City, its officers, employees and agents of all claims that Employee may have against its officers, employees and agents.

D. Employee will provide at least sixty (60) days' notice prior to resignation. Base salary and all other compensation and benefits cease as of the date of actual resignation or termination other than termination by reason of Employee's death.

E. In the event of termination by reason of Employee's death, the City will continue to pay to Employee's spouse or estate the base salary stated in this Agreement, for three (3) months from the date of termination. The benefits of health, dental, and vision provided under this Section will be no less favorable to the spouse or estate than such benefits provided by the City to Employee and will not be interpreted so as to limit any benefits to which his family may be entitled under the City's life insurance, medical, hospitalization or disability plans following Employee's date of termination or under applicable law.

SECTION 11. PRIOR EMPLOYMENT AGREEMENTS.

Employee represents and warrants that Employee's performance as an employee does not, and will not, breach any employment agreement, arrangement or understanding or any agreement, arrangement or understanding to keep in confidence proprietary information acquired by Employee in confidence or in trust prior to Employee's employment by the City. Employee has not entered into, and will not enter into, any agreement, arrangement or understanding, either written or oral, which is in conflict with this employment with the City or which would be violated by Employee entering into or carrying out his obligations as an employee of the City.

SECTION 12. CONFLICTS OF INTEREST.

Employee agrees to comply with all applicable provisions of Arizona Revised Statutes § 38-501 et seq., as amended, concerning conflicts of interest during and after any term of employment with the City.

SECTION 13. EMPLOYMENT WORK PRODUCT.

All memoranda, notes, records, other documents made or composed by Employee, or made available to him during his employment, or any products, methods, or procedures concerning or in any way relating to the business or affairs of the City will be the City's property and will be delivered to the City upon the termination of employment or at any other time upon request. In addition, upon termination of employment Employee shall return any cell phone, purchase card, computer, keys, and any other City-provided equipment to the City.

SECTION 14. GENERAL PROVISIONS.

A. Arbitration. Any dispute concerning this Agreement or the interpretation or application thereof, will be resolved solely by arbitration in Graham County, Arizona, by an arbitrator mutually acceptable to the parties. If the parties are not able to agree upon such arbitrator, the parties will request the Graham County Superior Court to appoint an arbitrator. If Graham County Superior Court is unable to appoint such arbitrator, the parties will request the Maricopa County Superior court to appoint an arbitrator pursuant to the Employment Arbitration Rules, of the American Arbitration Association.

B. Entire Agreement; Amendment. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, inducements, and conditions express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. This Agreement may not be modified or amended other than by an agreement in writing signed by both parties.

C. Governing Law: Choice of Forum. This Agreement is executed, delivered and will be performed in the State of Arizona and the substantive laws of the State of Arizona (without reference to choice of law principles) will govern its interpretation and enforcement. Any action brought to interpret or enforce any provisions of this Agreement, or otherwise relating to or arising from this Agreement, will be commenced and maintained in the Superior Court of the State of Arizona in Graham County and each of the parties irrevocably consents to jurisdiction and venue in that Court for these purposes.

D. Attorneys' Fees. Should any proceeding or litigation be commenced between the parties concerning the terms of this Agreement, or the rights and duties of the parties under this Agreement, the prevailing party in such proceeding or litigation will be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for the prevailing party's attorneys' fees, to be determined by the arbitrator or any court enforcing the arbitration award.

E. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision will be fully severable; this Agreement will be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each such illegal, invalid or unenforceable provision, there will be added automatically as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable, and this Agreement will be reformed accordingly.

F. Costs and Expenses. Each party will bear its own costs, including counsel fees and accounting fees, incurred in connection with the negotiation, drafting, and consummation of this Agreement and all matters incident to this Agreement.

G. Headings. The captions or headings in this Agreement are for convenience of reference only and will not control or affect the meaning or construction of any provision hereof.

H. Notice. Any notice, request, demand and other communication required or permitted under this Agreement will be in writing and will be deemed to have been duly given, made and received when hand-delivered to the party to whom it is addressed or upon the date noted upon the receipt for registered or certified mail, first class postage prepaid, return receipt requested, addressed as set forth below:

If to City: City Clerk
 City of Safford
 717 Main Street
 PO Box 272
 Safford, Arizona 85548-0272

If to Employee: John Cassella
 1560 E Whirlwind Way
 Safford, AZ 85546

Any party may alter the address or addresses to which communications or copies are to be sent to such party by giving notice of such change of address in conformity with the provisions of this Section 14.H for the giving of notice.

1. Conflict of Interest. This Agreement is subject to and may be terminated by City of Safford in accordance with, the provisions of A.R.S. 38-511.

IN WITNESS WHEREOF, the parties have signed and executed this Agreement.

CITY OF SAFFORD

EMPLOYEE

Jason Kouts, Mayor

City Manager