

**CITY OF SALIDA, COLORADO**  
**RESOLUTION NO. 07**  
**(Series of 2017)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA,  
COLORADO, APPOINTING GUY PATTERSON AS CITY ADMINISTRATOR FOR  
THE CITY OF SALIDA.**

WHEREAS, in accordance with C.R.S. 31-4-107(2)(a), the City Council is authorized to appoint a City Administrator for the City of Salida, Colorado, and to determine the salary and other terms of remuneration to be received by the City Administrator; and

WHEREAS, the City Council and Guy Patterson have negotiated the terms and conditions of an Employment Agreement subject to final approval by the City Council.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO THAT:

**Section 1.**

The City Council hereby appoints Guy Patterson as City Administrator and approves the Employment Agreement attached hereto as Exhibit A.

**Section 2.**

The City Council hereby authorizes the Mayor to execute the attached Employment Agreement.

**Section 3.**

The terms and conditions of appointment of Guy Patterson as City Administrator shall be subject to the terms and conditions of the Employment Agreement as may be amended from time to time.

**RESOLVED, APPROVED, AND ADOPTED this 7<sup>th</sup> day of February, 2017.**

CITY OF SALIDA



[SEAL]

By:   
James LiVecchi, Mayor

ATTEST:

By:   
City Clerk/Deputy City Clerk

# EMPLOYMENT AGREEMENT

## Introduction

This Employment Agreement (“Agreement”), dated this 7<sup>th</sup> day of February, 2017, is by and between the City Council of the City of Salida (“City”), a Colorado statutory municipality, located in the County of Chaffee, State of Colorado, and Guy Patterson (“Administrator”), presently at P. O. Box 1291, Avon, CO 81620, an individual who has the education, training and/or experience in local government management and who is a member of ICMA, is subject to the ICMA Code of Ethics, both of whom agree as follows:

## Section 1: Term

This Agreement shall remain in full force in effect from February 21, 2017 until terminated by the City or Administrator as provided in Section 8, 9, and 11 of this Agreement.

## Section 2: Duties and Authority

City agrees to employ Guy Patterson as City Administrator to perform the functions and duties in accordance with the Job Description, attached to this Agreement as Exhibit “A” and the approved Scope of Work, attached to this Agreement as Exhibit “B” and to perform other legally permissible and proper duties and functions as prescribed by Colorado State Statute as well as the City Council from time to time.

## Section 3: Compensation

- A. Base Salary: City agrees to pay Administrator an initial base salary of Ninety-Five Thousand Dollars (\$95,000.00) (“Base Salary”), which shall be paid periodically on the same regular paydays applicable to all other City employees;
- B. This Agreement shall be automatically amended to reflect any salary adjustments that are provided or required pursuant to the City's compensation policies and/or this Agreement; and
- C. Consideration shall be given on at least an annual basis to increase compensation.

## Section 4: Employees Benefits

During the term of this Agreement, and thereafter when specifically provided herein, the Administrator, in addition to the Base Salary provided for in Section 3, shall have and be entitled to receive from the City the following employee benefits:

- A. Vacation leave to the extent such is provided for under the City's employee benefit package provided that the Administrator shall commence employment with the City on the effective date of this Agreement with twenty (20) hours of already accrued annual leave, which is available for immediate use;
- B. Sick leave to the extent such is provided for under the City's employee benefit package provided that the Administrator shall commence employment with the City of the effective

- date of this Agreement with ten (10) hours of already accrued annual leave, which is available for immediate use;
- C. Disability to the extent such is provided for under the City's employee benefit package;
  - D. Health, dental and vision benefits to the extent such is provided under the City's employee benefit package;
  - E. Life, accidental death and dismemberment insurance to the extent such is provided under the City's employee benefit package;
  - F. Retirement benefits on the same basis as all other non-police full-time employees of the City; and
  - G. All other benefits as currently prescribed to all other employees of the City of Salida.

### **Section 5: General Business Expenses**

The City agrees to reasonably budget for and to pay for professional dues and subscriptions of the Administrator for the continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for the Administrator's continued professional participation, growth and advancement and for the good of the City, which shall include, at a minimum, the annual dues for the International City/County Manager's Association and the Colorado City/County Managers Association.

The City agrees to reasonably budget for and to pay for travel and subsistence expenses of Administrator for professional and official travel, meetings, and occasions to adequately continue the professional development of Administrator and to pursue necessary official functions for the City, including but not limited to the Colorado Municipal League Annual Conference, and such other state and local governmental groups and committees in which Administrator serves as a member. Any such travel by Administrator shall be in accordance with the City's travel policy, as the same may be amended from time to time.

The City also agrees to reasonably budget for and to pay for travel and subsistence expenses of Administrator for short courses, institutes, and seminars that are necessary for the Administrator's professional development and for the good of the City.

### **Section 6: Automobile**

The Administrator's duties require exclusive and unrestricted use of an automobile to be mutually agreed upon and provided to the Administrator at the City's cost, subject to approval by City Council, which shall not be withheld without good cause. The City shall be responsible for paying for liability, property damage, and comprehensive insurance, and for the purchase (or lease), operation, maintenance, repair, and regular replacement of an automobile. The City will also reimburse mileage when Administrator's private vehicle is used for business purposes when traveling distances of over thirty (30) miles at the rate which is set from time-to-time by the Internal Revenue Service. The City will only reimburse for one-half (1/2) of the allowed mileage if Administrator elects to use their personal vehicle when a City-owned vehicle is otherwise available

## **Section 7: Moving and Relocation Expenses**

Administrator agrees to establish residence within the City Limits of the City of Salida within nine (9) months of employment, and thereafter to maintain residence within the area. The City shall reimburse Administrator for up to \$2,500 to cover moving and relocation costs. Administrator agrees to a commitment to the City of at least two (2) years or Administrator will reimburse City moving and relocation expenses on a pro-rated basis.

## **Section 8: Trial Period**

The Administrator will be subjected to a six (6) month Trial Period, upon his reporting to duty on the effective date of this Agreement, in order to evaluate his capacity to serve in his appointed position. At least two (2) weeks prior to the end of the Trial Period, the Administrator will be given a compensation-related performance evaluation by the City Council. The evaluation will determine: 1) whether the Administrator should be maintained as the City Administrator as set forth herein, entitled to all the benefits, including the severance package, as set forth in Section 10 of this Agreement; or 2) whether the Administrator should be terminated. Upon the successful completion of the Trial Period, the Administrator will be eligible for an increase in Base Salary of between two percent (2%) and five percent (5%) depending on the results of the performance evaluation.

## **Section 9: Termination**

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

- A. The majority of the governing body votes to terminate the Administrator at a duly authorized public meeting;
- B. If the City, citizens or state legislature acts to amend any provisions of the Municipal Code, or other such document pertaining to the role, powers, duties, authority, responsibilities of the Administrator's position that substantially changes the form of government, the Administrator shall have the right to declare that such amendments constitute termination;
- C. If the City reduces the Base Salary, compensation or any other financial benefit of the Administrator, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this Agreement and will be regarded as a termination;
- D. If the Administrator resigns following an offer to accept resignation, whether formal or informal, by the City as representative of the majority of the governing body that the Administrator resign, then the Administrator may declare a termination as of the date of the suggestion; or
- E. Breach of contract declared by either party with a 30-day cure period for either Administrator or City. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 19.

## **Section 10: Severance**

Severance shall be paid to the Administrator when employment is terminated as defined in Section 9, except that such severance shall not be paid if Administrator is terminated prior to the end of the Trial Period described in Section 8 of this Agreement.

If the Administrator is terminated after the completion of the Trial Period, the City shall provide a severance payment equal to six (6) month's Base Salary at the then current rate of pay. This severance shall be paid in a lump sum unless otherwise agreed to by the City and the Administrator. The Administrator shall also be compensated for all accrued leave time. The City agrees to make a contribution to the Administrator's retirement account on the value of this compensation calculated using the rate ordinarily contributed on regular compensation.

The City shall condition its payment of the severance benefits upon the Administrator's execution of appropriate releases, waivers, and other documentation providing that the Administrator accepts such severance benefits in full satisfaction of any claims that he may have or believe he has against the City and its Council on account of termination or non-renewal of this Agreement

If the Administrator is terminated during the course, or as a result, of his Trial Period or because of a conviction of a felony or other malfeasance, as determined by the City Council, then the City is not obligated to pay severance benefits under this section.

## **Section 11: Resignation**

The Administrator may elect to terminate this Agreement without cause by giving the City written notice of his intention to terminate. The Administrator shall not be entitled to any severance if he makes such an election for any reason other than the circumstances described in Section 9(D). Such notice shall specify a termination date that shall not be less than thirty (30) days from the date the notice is given. Unless otherwise agreed in writing by both parties, the Administrator shall continue to perform the duties of City Administrator, as described herein, on a full time basis until the termination date specified in the notice. The Administrator shall continue to receive compensation and benefits herein provided for so long as he continues to perform such duties. All compensation and employee benefits shall cease to accrue on the termination date or upon such earlier date when the Administrator is no longer performing the duties of his office as described herein.

## **Section 12: Performance Evaluation**

The Administrator's performance of his duties as City Administrator shall be evaluated annual, in accordance with the terms prescribed in the Personnel Manual, utilizing a form that is mutually approved by both parties. The Administrator agrees to cooperate with the evaluation process and to provide the City with any documentation or information that the City may request in connection with the evaluation. The purpose of the evaluation will be to determine whether the Administrator's performance of his duties under this Agreement remains satisfactory to the City and is in compliance with the terms and provisions hereof.

### **Section 13: Work Plan**

Administrator agrees to develop a "Work Plan" and to accomplish specific tasks, as specified and approved by City Council from time-to-time, in a timely and professional manner. Such specific tasks shall be discussed with the Administrator and said Work Plan will be adopted by motion by the Council as frequently as the Council may choose but no less than annually. Once approved, such specific tasks and work plans shall then be considered a part of this Agreement.

### **Section 14: Hours of Work**

The City expects and the Administrator agrees that the Administrator's hours of employment must be flexible and sometimes will be long and irregular. The Administrator's duties hereunder will often require his attendance at and participation in meetings and other functions which occur during evening hours and occasionally on weekends. The Administrator understands and agrees that he will not be entitled to overtime pay, or any other form of financial remuneration over and above the Base Salary and benefits provided for herein with respect to the performance of his duties and his long hours of service hereunder.

### **Section 15: Outside Activities**

The employment provided for by this Agreement shall be the Administrator's sole employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to the City and the community, the Administrator may elect to accept limited teaching, consulting or other business opportunities with the understanding that such arrangements shall not constitute interference with nor a conflict of interest with his responsibilities under this Agreement.

### **Section 16: Indemnification**

The City Administrator shall be defended and indemnified in his actions undertaken in his official capacity as City Administrator pursuant to all insurance coverage's maintained by the Council and pursuant to the terms of the Colorado Governmental Immunity Act. The City Administrator shall, however, not be indemnified for any act or omission that is willful and wanton, as those terms are defined under the Colorado Governmental Immunity Act.

### **Section 17: Bonding**

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

### **Section 18: Other Terms and Conditions of Employment**

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

Except as otherwise provided in this Agreement, the Administrator shall be entitled to the highest level of benefits that are enjoyed by other employees of the City as provided in the Municipal Code, Personnel Rules and Regulations or by practice.

**Section 19: 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) CITY: City of Salida  
James LiVecchi, Mayor  
448 E. 1<sup>st</sup> Street, Suite 112  
Salida, CO 81201
  
- (2) EMPLOYEE: Guy Patterson  
P. O. Box 1291  
Avon, CO 81620

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial 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 20: General Provisions**

- A. Integration. This Agreement sets forth and establishes the entire understanding between the City and the Administrator relating to the employment of the Administrator by the City. 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 term of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.
- B. Binding Effect. This Agreement shall be binding on the City and the Administrator as well as their heirs, assigns, executors, personal representatives and successors in interest.
- C. Effective Date. This Agreement shall become effective on February 21, 2017.
- D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not effect 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.
- E. Waiver. The waiver by either party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

ATTEST:

Betty Schurder  
Deputy City Clerk/City Clerk



CITY OF SALIDA

By: James LiVecchi  
James LiVecchi, Mayor

Guy Patterson  
Guy Patterson, City Administrator



**ADDENDUM  
TO  
EMPLOYMENT AGREEMENT**

WHEREAS, an Employment Agreement (“Agreement”), between the City Council of the City of Salida (“City”), a Colorado statutory municipality, located in the County of Chaffee, State of Colorado, and Guy Patterson (“Administrator”), was entered into on February 7, 2017; and

WHEREAS, the intent of the Agreement was to set forth and established the entire understanding between the City and the Administrator relating to the employment of the Administrator by the City; and

WHEREAS, pursuant to the Agreement, the parties by mutual written agreement may amend any provision of the Agreement during the term of the Agreement. Such amendments shall be incorporated and made a part of the Agreement; and

WHEREAS, in an Offer Sheet tendered by the City, and accepted by the Administrator, the City agreed to pay sixty-five dollars (\$65.00) per month for a cellular phone, to include a voice and data plan; and

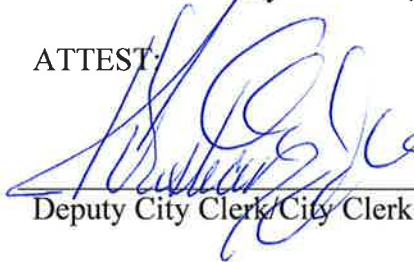
WHEREAS, both parties acknowledge and agree that the Employment Agreement should be amended to include said stipulation.

NOW, THEREFORE, AS AGREED to by both parties, the following amendment is added to and incorporated into the Employment Agreement:

The City further agrees to pay Administrator a stipend in an amount of sixty-five dollars (\$65.00) per month for a cellular phone, to include a voice and data plan. This would be non-taxable because it is for “substantial non-compensatory business reasons”. Administrator will be responsible for all equipment and service charges, and for establishing and maintaining a personal contract with the carrier for cellular services.

DATED this 1st day of March, 2017.

ATTEST:

  
Deputy City Clerk/City Clerk



CITY OF SALIDA

By:   
James LiVecchi, Mayor

  
Guy Patterson, City Administrator