

**EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF ANN ARBOR
AND MILTON DOHONEY**

THIS AGREEMENT is made and entered in this ___ day of _____ 2021, between the City of Ann Arbor, a Michigan municipal corporation, hereinafter called the "City," and Milton Dohoney Jr. , hereinafter called "Employee."

Section 1 --- Duties

As of October 18, 2021 the City agrees to employ Employee as Interim City Administrator of the City pursuant to Section 5.1 of the Charter of the City of Ann Arbor, Michigan, to perform in a competent and professional manner the duties and responsibilities of City Administrator for the City of Ann Arbor as set forth in the Charter and City Code of the City of Ann Arbor and in applicable laws and regulations (including City policies), and otherwise as assigned by City Council. Employee will begin work remotely until he arrives in the City on or around October 25, 2021.

Section 2 --- General Conditions and Terms of Employment

This employment agreement is contingent upon the Employee's acceptance of the appointment, the Employee's approval and acceptance of this employment agreement, approval by City Council of the Employee's appointment to City Administrator and this employment agreement, and satisfactory completion of all pre-employment verifications deemed necessary by City Council.

A. EMPLOYMENT FOR A DEFINED PERIOD: This contract is for a eleven month period "Contract Period," and this period can be extended up to four additional months with the mutual agreement of the parties.

B. TERMINATION/RESIGNATION:

(1) If City Council decides to terminate the Employee's employment as Interim City Administrator for any reason other than pursuant to sub-section (2) or(3) below, the Employee will receive a lump sum separation payment equivalent to the remaining months of the Contract Period, calculated on the basis of the salary he was receiving on the date of termination as stated in Section 3 or as subsequently changed by agreement of the parties. The City also will pay Employee the accrued leave time, if any, to which the Employee is entitled in accordance with the City's personnel rules, policies and procedures in effect on the date of his termination. Both the separation pay and the payment of accrued leave time will be paid within thirty (30) days after the date of termination or at such other time as is mutually agreed to between the City and the Employee.

(2) If the City Council terminates the Employee's employment agreement with the City for "just cause", the Employee will not be entitled to any separation pay. For this Agreement, "just cause" shall include, but not be limited to: willful neglect in the

performance by the Employee of his duties and responsibilities under this Agreement as also specified in Section 1 above, an act of moral turpitude, willful misconduct, fraud, felony charge or conviction of a misdemeanor that would reflect negatively on the City, (such as, but not limited to, an offense involving drug/alcohol abuse or sexual misconduct), discriminatory and harassing behavior or similar behavior that is detrimental to the reputation or image of the city or the operations of the workplace, willful insubordination, or any breach of the terms and conditions of this agreement. Such termination would be effective thirty (30) days after the date of the written notice of termination. Written notice will state the reasons for the termination.

- (3) The role of Interim City Administrator is considered a "key employee" under the Family and Medical Leave Act (FMLA). The City Council may terminate the Employee's employment with the City in the event the Employee is unable to perform substantially all of the City Administrator duties/responsibilities for a period of sixty (60) consecutive days or more because of a medically established mental or physical disability, provided that a determination has been made that such medically established mental or physical disability will continue for at least sixty (60) additional days. Such termination will be effective sixty (60) days after written notice of termination from City Council, and such notice will also state the reasons for the termination.

C. EXCLUSIVE EMPLOYMENT

During the term of this employment agreement, the Employee agrees to be employed exclusively by the City. However, Employee may perform services such as writing, teaching, lecturing, and other related activities or professional obligations so long as such activities do not unreasonably interfere with the Employee's City duties/responsibilities.

D. EMPLOYMENT AGREEMENT TERM

The Employee agrees to begin employment as City Administrator for the City of Ann Arbor on October 18, 2021, or until the conclusion of the extended period outlined in Paragraph 2(A). The Employee's employment will continue unless the Employee resigns or is terminated as provided for in Paragraph 2.B.

E. LOCATION OF EMPLOYEE'S RESIDENCE

The City desires that the Employee reside within the City of Ann Arbor. Depending on Covid restrictions, it is expected that the work will generally be done in Ann Arbor but also can be done remotely as necessary based on Employee's travel schedule back to his home at times and Covid restrictions.

Section 3 --- Compensation

The City agrees to compensate the Employee at an annual base salary of \$223,600, payable in biweekly installments at the same time as other employees of the City are paid. Council shall

make any salary adjustment, if any, as part of budget process for FY 23 and can be discussed with Employee before finalization of the budget.

The City shall reimburse Employee at an hourly rate of \$107.50 for any time spent on City matters prior to him starting work full time on October 18, 2021.

Section 4 --- City Benefit Plans and Programs

- A. INSURANCE PLANS: The Employee will be offered health coverage.
- B. The Employee may participate in all other City benefit programs (such as FSA, HRA, educational assistance, etc.) on the same terms as Non-Union employees in accordance with applicable laws, regulations, policies and guidelines governing these programs.
- C. The City reserves the right to alter, modify, or terminate any or all of its insurance plans and other benefits provided to Non-Union, Regular employees during the course of this contract and Employee may not rely on any specific coverage or term of such plans or benefits being maintained by the City solely for Employee's benefit.
- D. PAID SICK LEAVE DAYS: The Employee will accrue days at a rate consistent with the policies for City Non-Union, Regular employees, earned on a pro rata basis each pay period. Except as otherwise explicitly stated in this sub-section, the Employee shall comply with the City's personnel rules, policies and procedures which govern the use of sick leave by Non- Union employees.
- E. PAID VACATION: The Employee will accrue vacation at the rate consistent with City Non-Union employees, earned and credited on a pro rata basis each pay period. All other aspects of vacation usage and procedure shall be in accordance with City personnel rules, policies and procedures applicable to Non-Union City employees. Employee will begin with 80 hours banked vacation time.
- F. PAID LEAVE: The Employee shall be entitled to four (4) personal leave days per annum in accordance with City personnel rules, policies and procedures applicable to Non- Union Regular City employees.
- G. CELL PHONE: The Employee shall receive the monthly voice and data cellular phone stipends on the same terms as Non-Union employees in accordance with applicable laws, regulations, policies and guidelines governing these programs.
- H. VEHICLE USE/REIMBURSEMENT: The Employee shall have available a City vehicle for his use in the Ann Arbor area.
- I. HOUSING STIPEND: The Employee shall receive as monthly housing stipend of up to \$2500 to be used for temporary housing during the contract period or extension thereof.
- J. REIMBURSEMENT OF EXPENSES: The Employee shall be reimbursed for reasonable travel and hotel accommodations and related expenses for a visit in October to acquire necessary housing.

Section 7 --- Retirement Plan

Employee is eligible for the Executive 401(A) Plan, details of which will be provided upon hire.

Section 8 --- Professional Development

The City agrees to budget for and to pay the professional dues and license fees, subscriptions, travel and expenses of Employee for professional participation and travel, meetings and occasions adequate to continue his professional development. Participation can include, but not be limited to the National League of Cities, International City County Management Association, Michigan Municipal League, Michigan City Managers' Association and such other national, regional, state and local governmental and community groups and their committees for which Employee serves as a member, or when participation is beneficial to Employer, as well as associated short courses, institutes and seminars.

Section 9 --- Indemnification

The City shall defend, save harmless and indemnify the Employee against any tort, professional liability claims, defamation, employment claims or other legal actions, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties/responsibilities as Interim City Administrator, provided the Employee acted both in good faith and within the scope of his duties/responsibilities as Interim City Administrator, and further provided the Employee fully cooperates with the City in its defense of the claim, demand or other legal action. The City may, in its discretion, compromise and settle any claim or suit and pay the amount of any settlement or judgment rendered. Indemnification shall not be provided to the Employee by the City if the claim, demand or other legal action results from the willful misconduct of the Employee or if the claim, demand or legal action involves any proceeding where the Employee is the plaintiff or an adverse party to the City.

Section 10 --- Conflict of Interest Prohibitions

It is further understood and agreed that because of the duties of the Employee within and on behalf of the City of Ann Arbor and its citizenry, the Employee shall not, during the term of this Agreement, individually, as a partner, joint venture, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of the City of Ann Arbor, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without prior approval of the City Council.

Section 11 --- General Provisions

This Agreement constitutes the entire understanding between the City and the Employee. There are no oral understandings, terms or conditions and no party has relied on any representation, express or implied, not contained in this Agreement. This Agreement may be changed by a written amendment signed by both parties. Michigan law shall govern this Agreement and any disputes arising from or related to this agreement shall be subject to the exclusive jurisdiction of a court of competent jurisdiction in Washtenaw County.

If any provision, or any portion thereof, contained in this employment agreement is held to be invalid or unenforceable, the remainder of this employment agreement, or portion thereof, shall be deemed enforceable, shall not be affected, and shall remain in full force and effect and such provision automatically reformed so as to be valid and enforceable and to nearly as possible reflect the intent of the parties.

IN WITNESS WHEREOF, the City of Ann Arbor, Michigan, by its Mayor and its City Clerk, and the Employee have signed this employment agreement the day and year stated in the first paragraph.

EMPLOYER:

EMPLOYEE:

CITY OF ANN ARBOR,
a Michigan municipal corporation

By _____
Christopher Taylor, Its Mayor

Milton Dohoney Jr.

Jacqueline Beaudry, Its City Clerk

Approved as to form

By _____
Stephen K. Postema, City Attorney