

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into this ____ day of _____, 2017 (the "Effective Date"), by and between the Town of Vail, a Colorado home rule municipal corporation (the "Town"), and Greg Clifton ("Clifton"), an individual (each a "Party" and collectively the "Parties").

WHEREAS, the Town Council (the "Council") wishes to employ Clifton as Town Manager of the Town;

WHEREAS, the Council wishes to provide certain benefits, establish certain conditions of employment and set working conditions for the Town Manager; and

WHEREAS, Clifton wishes to accept employment as the Town Manager of the Town under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Duties. The Town agrees to employ Clifton as Town Manager of the Town. Clifton shall work for the Town on a part-time basis (at 50%) from September 1, 2017 through September 24, 2017. Clifton shall commence full-time employment on September 25, 2017 (the "Start Date"). As Town Manager, Clifton shall perform the functions and duties described in the Charter and ordinances of the Town, as well as the job description attached hereto, and Clifton shall perform such other legally permissible and proper duties as the Town Council shall assign. Commencing on the Start Date: Clifton shall live in the Town and make the Town his primary residence; Clifton's employment with the Town shall be a full-time occupation; and Clifton agrees to remain in the exclusive employ of the Town and neither to accept nor to become employed by any other employer. The term "employed" shall not be construed to include occasional teaching, writing, or consulting, as approved by the Town Council, performed on Clifton's time off.

2. Term. The term of this Agreement shall be for 3 years from the Start Date; provided, however, that nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Town Council to terminate the services of Clifton at any time for any reason, subject only to Section 5 hereof, and nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Clifton to resign at any time from his position with the Town for any reason, subject only to Section 5 hereof. Following the initial 3-year term, this Agreement shall automatically renew for additional 3-year terms, unless otherwise terminated as provided herein. The Parties agree to review the contract terms 2 years from the Start Date.

3. Salary. Commencing on the Start Date, the Town shall pay Clifton for his services as Town Manager an annual salary of \$175,000 annually (the "Base Salary"), which shall be paid periodically in the same manner as other employees of the Town are paid. The Base Salary may be increased by appropriate action of the Town Council at any time. This Section shall not preclude the Town Council from awarding bonuses

based on performance. From September 1, 2017 through September 24, 2017, the Town shall pay Clifton an amount equivalent to 50% of the Base Salary, on a *pro-rata* basis.

4. Benefits. In addition to the Base Salary, Clifton shall receive the following benefits during his employment as Town Manager, commencing on the Start Date:

a. Insurance and Disability. Health, life, vision and dental insurance shall be paid by the Town for Clifton and his dependents in the same manner as for all other full-time Town employees. The Town shall provide workers' compensation insurance for Clifton as required by law. The Town shall provide short-term and long-term disability for Clifton in the same manner as for all other full-time Town employees.

b. Leave. Clifton shall receive paid holidays, vacation leave and sick leave earned in the same manner as all department heads of the Town. Clifton shall begin at the top accrual level of 9.54 hours per pay period (6 weeks per year), including designated holidays, and shall have the first full year of accrual available on the Start Date.

c. Vehicle. The Town shall provide a vehicle to Clifton for both business and personal use, and the Town will provide insurance coverage for the vehicle; provided, however, that the Town may cease providing the vehicle to Clifton at any time. If the Town is not providing a vehicle to Clifton, the Town shall reimburse Clifton the amount of \$500 per month to compensate for the use of his personal vehicle for business use. The vehicle allowance shall be in lieu of mileage reimbursement.

d. Retirement. Clifton shall be eligible to participate in the retirement programs established by the Town in the same manner as all other full-time employees of the Town, including the Town's 401(a) retirement plan. The Town's contribution shall be 11.15% upon the Start Date, and shall increase to 16.15% after the first full year of employment.

e. Life Insurance. The Town shall provide Clifton with a \$200,000 term life insurance policy.

f. Recreation. The Town shall provide Clifton the top level of the ski/fitness benefit provided to other full-time employees of the Town (up to \$700), but the Town waives the graduated 3-year eligibility period.

g. Residence. The Town shall provide the Town Manager's residence located at _____ Arosa Drive for Clifton's use while employed as Town Manager. The Town shall be responsible for all capital maintenance and insurance for the residence. Clifton shall responsible for day-to-day living expenses such as utilities and snow removal.

h. Telephone. The Town shall provide Clifton with monthly allowance of \$_____ for use of his personal mobile telephone for employment-related

activities. The telephone shall remain Clifton's personal telephone, and nothing in this Agreement shall render the telephone Town property.

5. Severance.

a. Amount. Except as otherwise provided in this Section, if Clifton's employment with the Town is terminated by the Town Council during such time that he is willing and able to perform the duties of the Town Manager, the Town shall pay Clifton an amount equivalent to 6 months of the then-current Base Salary plus employment benefits, excluding the housing and vehicle benefits (the "Severance Payment"). The Severance Payment shall be paid in a lump sum within 7 days of termination, subject to all applicable taxes and withholding.

b. Termination for Cause. If the Town Council terminates Clifton's employment for cause, Clifton shall not be entitled to the Severance Payment. For purposes of this Agreement, "for cause" shall include any of the following: (i) if Clifton is convicted of a crime other than a misdemeanor traffic offense or petty offense; (ii) if Clifton fails to perform any material term of this Agreement, and such failure continues for 21 days after written notice from the Town specifying the failure; and (iii) if Clifton commits any illegal, dishonest or fraudulent act in connection with his employment as Town Manager.

c. Resignation. If Clifton resigns from his position as Town Manager, Clifton shall not be entitled to the Severance Payment.

d. Disability. If Clifton is unable to perform his duties as Town Manager for a period of 12 consecutive weeks and cannot be reasonably accommodated, the Town shall have the option to terminate this Agreement, but shall pay Clifton the Severance Payment.

6. Hours of Work. It is recognized that the Town Manager must devote a great deal of his time outside normal office hours to the business of the Town. Clifton shall be considered an exempt employee for purposes of the Fair Labor Standards Act, and shall not be entitled to overtime.

7. Professional Development. Subject to such amounts as may be budgeted, the Town, in its sole discretion, shall pay for expenses related to Clifton's continuing professional development, which includes attendance at various national or state conferences, seminars, and continuing education programs. At a minimum, the Town shall pay for Clifton's membership in the International City & County Management Association and the Colorado City & County Management Association.

8. Performance Evaluations. The Town Council shall provide Clifton with a performance evaluation at least once every 12 months. Clifton shall file a timely written response to each performance evaluation. Following such response, the Town Council and Clifton shall meet in executive session, in compliance with the Colorado Open Meetings Law, C.R.S. § 24-6-401, *et seq.*, to discuss the performance evaluation.

Clifton hereby waives any right he may have to have such performance evaluations discussed in public under C.R.S. § 24-6-402(4)(f).

9. Indemnification. Clifton shall be defended and indemnified in his actions undertaken in his official capacity pursuant to all insurance coverages maintained by the Town and pursuant to the terms of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.* Clifton shall not, however, be indemnified for any act or omission that is willful and wanton as those terms are defined in the Colorado Governmental Immunity Act.

10. Miscellaneous.

a. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Eagle County, Colorado.

b. No Waiver. Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the Town shall not constitute a waiver of any of the other terms or obligation of this Agreement.

c. Integration. This Agreement constitutes the entire Agreement between the Parties, superseding all prior oral or written communications.

d. Third Parties. There are no intended third-party beneficiaries to this Agreement.

e. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

f. Modification. This Agreement may only be modified upon written agreement of the Parties.

g. Assignment. Neither this Agreement nor any of the rights or obligations of the Parties shall be assigned by either Party without the written consent of the other.

h. Governmental Immunity. The Town, its officers, employees and attorneys are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, or otherwise available to the Town and its officers, employees or attorneys.

i. Subject to Annual Appropriation. Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the Town not performed during the current fiscal year is subject to annual appropriation, and thus any obligations of the Town hereunder shall extend only to monies currently appropriated and shall not constitute a mandatory charge, requirement or liability beyond the current fiscal year. The failure of the Town Council to appropriate for any compensation due under this

Agreement shall constitute termination of Clifton's employment as Town Manager, effective January 1st of the following year (the year for which funds have not been appropriated).

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

TOWN OF VAIL

David Chapin, Mayor

ATTEST:

Patty McKenny, Town Clerk

Greg Clifton

TOWN MANAGER Job Description

Job Summary:

The Town Manager serves as the chief executive and administrative officer of the Town, responsible for the proper administration of all affairs of the Town.

Supervision:

Works under the direction of the Town Council.

Essential Job Duties:

- Hires, suspends, transfers and removes Town employees on the basis of ability, training and experience of such employee in the work which they are to perform.
- Serves as supervisor of all department heads and administrative staff.
- Attends Council meetings and, in an advisory capacity, participates in discussions with the Council.
- Oversees preparation of an annual budget for Town Council approval and assumes responsibility for said budget after its adoption.
- Makes financial recommendations to the Town Council for adoption and keeps the Council advised of the financial and future needs of the Town.
- Prepares and submits to the Town Council a complete report on the finances and administrative activities of the Town for the preceding year at the end of the fiscal year and, upon request of the Town Council, makes written or verbal reports at any time concerning the affairs of the Town.
- Establishes and maintains a system of accounting and auditing for the Town which reflects, in accordance with generally accepted accounting principles, the financial condition and financial operation of the Town.
- Becomes and remains familiar with all terms and conditions of all Town contracts, and upon knowledge of any violation thereof, reports same to the Town Council for such action and proceedings as may be necessary to enforce the same.
- Provides for engineering, architectural, maintenance, legal, planning, construction, and other services as required by the Town.
- Works closely with the Town Council to implement its vision for the Town, and serves as the liaison between the Town Council and Town staff.
- Assures representation for the Town on various boards, committees and taskforces concerning relevant local, state and national issues.
- Represents the Town in local, regional, and statewide organizations.
- Manages meetings with staff, consultants, elected officials, developers, other government organizations, and other individuals and groups.
- Performs such other duties as prescribed by ordinance or applicable law or as required by the Town Council.
- Demonstrates proactive leadership on economic development and retention, competitiveness, infrastructure, livability, and other factors that help the Town achieve, maintain and improve its reputation as a desirable place to live and work.

Knowledge and Abilities:

- Knowledge of the principles and practices of organizational management and public administration.
- Knowledge of the principles, practices, and legal requirements of personnel management.
- Knowledge of the principles and practices of municipal budgeting, budget preparation and fiscal administration.
- Knowledge of management analysis, methods of policy formulation and implementation, and forms and records control including familiarity with basic computer word processing, data basing and spreadsheet applications as they relate to these issues.
- Ability to manage a professional staff of municipal employees.
- Ability to establish and maintain effective working relationships with employees, Town officials, residents, public groups, other agencies and peers in other communities.

Special License, Registration, or Certification Required:

Graduation from an accredited 4-year college or university with major coursework in public administration or business administration supplemented by graduate study in public administration or a related field **and** at least 5 years of municipal or county administration or research experience involving a variety of management, fiscal, personnel, and public relations activities or any equivalent combination of education and experience.

Relationship of Town Council to Town Manager:

Except for the purpose of inquiries, individual Town Council members shall deal with the Town staff solely through the Town Manager, and an individual Town Council member shall not give orders to any subordinate of the Town Manager.