



MEMORANDUM

TO: Members of the Troy City Council
FROM: Lori Grigg Bluhm
DATE: May 20, 2015
SUBJECT: Updates to City Attorney's Employment Agreement

After my annual evaluation, I was asked to review and update my Employment Agreement in consultation with the Mayor, City Manager and Human Resources director. This contract had not been updated since 2005. I enclose the following revised contract for your consideration.

PROPOSED RESOLUTION:

NOW THEREFORE, BE IT RESOLVED that the attached Employment Agreement is hereby APPROVED, and the Mayor and Clerk are authorized to sign the document on behalf of the City of Troy. A copy of the executed Agreement shall be attached to the original minutes of the meeting.

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made on the 8th day of June, 2015 by and between the City of Troy, Michigan, a municipal corporation, hereinafter referred to as the "City" and Lori Grigg Bluhm, hereinafter referred to as the "Attorney".

SECTION 1. PERIOD OF EMPLOYMENT

This Agreement shall be effective as of June 8, 2015, and shall continue for 5 years, and may be terminated subject to the provisions of Section 11 of this Agreement.

SECTION 2. ATTORNEY'S DUTIES

The City Council agrees to continue to employ Attorney to perform the duties of the City Attorney as set out in the applicable statutes of the State of Michigan, the Charter of the City of Troy, all ordinances and resolutions lawfully enacted, and other such duties as the Council of the City of Troy may lawfully assign to the Attorney.

The Attorney shall at all times faithfully, industriously and to the best of her ability, experience and talents, perform all duties that may be required of and from her pursuant to the express and implicit terms of this Agreement, to the reasonable satisfaction of the Council.

SECTION 3. OTHER EMPLOYMENT

The Attorney shall devote full-time attention, knowledge and skills in the interest of the City of Troy, and the City shall be entitled to full-time benefits arising from or incident to the full-time work, services, and advice of the Attorney. The Attorney may from time to time teach, lecture, or make presentations that will not conflict or interfere with her work for the City.

SECTION 4. HOURS OF WORK

The parties realize that the position of City Attorney requires the Attorney to work weekends, evenings, and other irregular hours at locations other than the City's administrative offices and during hours that said offices are not open. It is understood and agreed that the Attorney shall work whatever hours that may be necessary in order for her to fulfill the requirements of the position of Attorney, as described herein and otherwise, but in any event, no less than forty (40) hours per week.

SECTION 5.

ATTORNEY'S SALARY

The City agrees to employ Attorney at an annual salary of \$140,080 effective June 30, 2015. The salary shall be \$142,882 beginning on the first day of the first pay period of the new fiscal year (July 1, 2015), consistent with the 2% pay increase for classified and exempt employees. The City also agrees to review this salary in years 2 through 5 of this Agreement. The review shall take into consideration the performance of the City Attorney, comparable salary information from other relevant municipalities and other pay and benefit data, both internally and externally. The base salary of Attorney shall be evaluated annually prior to the anniversary date of this Agreement.

SECTION 6. DEFERRED COMPENSATION

The City of Troy shall make an annual contribution of \$5,000 to the ICMA Retirement Corporation Deferred Compensation Plan on behalf of the Attorney, starting July 1st 2015.

SECTION 7. AUTOMOBILE ALLOWANCE

The Attorney shall receive an automobile allowance of \$425 per month during the time she is actively working during the term of this Agreement as City Attorney for the City. This amount shall be increased from time to time to the extent such allowance is increased for other exempt employees within the City. This allowance shall be the total compensation to the Attorney for the use of her personal automobile in the course of the City's business and shall be paid in lieu of mileage or any other method of reimbursement. The Attorney shall use her vehicle for all City business that she performs. The Attorney shall provide proof of insurance to the City.

SECTION 8. OTHER BUSINESS EXPENSE

The City shall reimburse the Attorney for all reasonable employment related expenses, subject to the administrative policies concerning such expenses, as currently exist in the Exempt Employee Handbook for full time employees revised 06/09, as may be amended and otherwise. Such expenses may include, but are not limited to, the following: air travel, taxi and automobile rental, lodging, meals, memberships and subscriptions to the publications of the International Municipal Lawyers Association, the Michigan Association of Municipal Attorneys, the State Bar of Michigan and Public Corporations Law Section, the Oakland County Bar Association, registration fees for training programs offered by such organizations, and travel and incidental costs relating to attending such programs or conferences and meetings of such organizations. It is specifically understood that such activities are to be undertaken by the Attorney as may be required by the City, and shall be considered part of the Attorney's duties. In accordance with the Purchasing Policy, other incidental expenses incurred by the

Attorney during the course of her duties will also be reimbursed including business meals, supplies, and other costs associated with the position of City Attorney.

**SECTION 9.
PERFORMANCE REVIEW**

The Council shall annually conduct a performance review of the job performance of Attorney. Attorney may request that this performance review be conducted in executive session as provided by the state statute. The review shall be constructive in nature, the format and basis of which shall be discussed and agreed upon by Attorney and the City Council in advance in order to give Attorney the opportunity to improve her abilities and service to the City of Troy.

**SECTION 10.
PUBLIC OFFICIAL LIABILITY INSURANCE
AND REPRESENTATION BY LEGAL COUNSEL**

The City shall provide the Attorney with public official liability insurance in accordance with that provided other officers in the City. In addition, the City shall provide the Attorney legal representation as otherwise provided for other city officials and as provided by ordinance, except for malicious, wanton criminal conduct arising from the Attorney's action or conduct and/or unless the City Council determines that the Attorney was clearly acting outside of the scope of her duties when engaged in the actions or conduct which form the basis of such charges or claims.

**SECTION 11.
TERMINATION**

The City or the Attorney may terminate this Agreement at any time with or without just cause.

The Employee may terminate her own employment by giving the City Council, through the City Clerk, at least sixty (60) days notice in writing unless both parties mutually agree that shorter notice is acceptable.

The City shall also have the right to terminate the Attorney's employment without just cause. In the event that the City terminates the Attorney's employment without just cause, and the Attorney is willing, able, and ready to perform the duties as City Attorney, the City shall pay the Attorney the equivalent of six months' salary, not including fringe benefits, as full satisfaction of the City's obligation under this Agreement. The City shall not, however, be required to pay said sum to the Attorney until such time that she executes a full and complete release in a form acceptable to the City.

The City shall also have the right to terminate the Attorney's employment with just cause, and all rights of the Attorney as to compensation and benefits pursuant to this

Agreement shall cease as of the date of such termination. Just cause shall include, but is not limited to, any of the following:

- (a) Fraud, dishonesty, or other intentional misconduct either:
 - 1. in the performance of Attorney's duties and responsibilities pursuant to this Agreement, or
 - 2. which has a material adverse impact on the City, its officials, administrators or the Attorney.
- (b) The use by Attorney of alcohol, drugs, or any other intoxicant or controlled substance, in such a manner as to impair her ability to perform her duties and responsibilities pursuant to this Agreement in a competent and diligent manner or in a manner which harms the reputation of the City.
- (c) The Attorney's arrest and binding over for trial or a plea of guilty or nolo contendere to a crime providing for a term of imprisonment (other than traffic violations and crimes not requiring the knowing involvement of the Attorney in the commission thereof).
- (d)
 - (i) A pattern of neglect or persistent failure to perform the duties herein contained with respect to duties previously communicated to the Attorney in writing by the City Council but only after the Attorney has been provided notice by the City Council of its dissatisfaction with the performance of said duties and Attorney has been provided a reasonable opportunity to correct her performance;
 - (ii) Otherwise willful misconduct in connection with the performance of her duties hereunder.

**SECTION 12.
ELIGIBILITY FOR BENEFITS AFFORDED OTHER CITY OFFICIALS**

Except as otherwise provided in this Agreement, the Attorney shall receive the same benefits as provided to the City's exempt employees including: compensatory time, vacation leave, sick leave, Municipal Retirement Fund Contributions, Group Medical Insurance Benefits, life and other insurance, holidays and disability as is described in the City of Troy Exempt Employee's Handbook for full time employees, Revised 06/09, and exempt benefits summary, revised 12/14, and which may be modified from time to time during the course of this Agreement.

**SECTION 13.
ARBITRATION**

It is mutually agreed between the Attorney and the City that arbitration shall be the sole and exclusive remedy to redress any grievance which includes, but is not limited to any dispute, claim or controversy involving the interpretation of this Agreement, the terms, conditions or termination of this Agreement; and any and all disputes, claims or controversies arising as a result of the Employment of the Attorney by the City, including claims under federal, state or local civil rights statutes such as

Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Elliott-Larsen Civil Rights Act and the Persons with Disabilities Civil Rights Act. It is the intention of the parties that the arbitration decision will be final and binding and that any and all grievances shall be disposed of as follows:

1. Any and all grievances must be submitted in writing by the aggrieved party within thirty (30) days from the date of termination of this Agreement;

2. Within thirty (30) days following the submission of the written grievance, the party to whom the grievance is submitted shall respond in writing. If no written response is submitted within thirty (30) days, the grievance shall be deemed denied;

3. If the grievance is denied, either party may, within thirty (30) days of such denial, refer the grievance to arbitration in Troy, Michigan. The arbitrator shall be chosen in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association then in effect, and the expense of the arbitration shall be shared equally by the City and the Attorney.

4. Any grievance shall be deemed waived unless presented within the time limits specified above. The arbitrator shall not have jurisdiction or authority to change, add to or subtract from any of the provisions of this Agreement. The arbitrator's sole authority shall be to interpret or apply the provisions of this Agreement. The parties hereby acknowledge that since arbitration is the exclusive remedy with respect to any grievance hereunder, neither party has the right to resort to any federal, state or local court or administrative agency concerning breaches of this Agreement and that the decision of the arbitrator shall be a complete defense to any suit, action or proceeding instituted in any federal, state or local court or before any administrative agency with respect to any dispute which is arbitrable as herein set forth. The arbitration provisions hereof shall, with respect to any grievance, survive the termination or expiration of this Agreement.

**SECTION 14.
COMPLETE AGREEMENT**

This written Agreement embodies the whole agreement between the parties and there are no inducements, promises, terms, conditions or other obligations in this Agreement. Any amendments to this Agreement shall be in writing and executed by both the City and the Attorney.

**SECTION 15.
GOVERNING LAW**

This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan.

**SECTION 16.
SURVIVING PROVISIONS**

All provisions, which by their terms or by reasonable implication may be performed after termination of this Agreement, shall survive termination of this Agreement.

**SECTION 17.
REPRESENTATIONS AND WARRANTIES**

Attorney represents and warrants to the City that she is free to enter into this Agreement and that she has no prior or other obligations or commitments of any kind to anyone that would in any way hinder or interfere with her acceptance of, or the full, uninhibited and faithful performance of, her employment under or the exercise of her best efforts as an employee of the City.

**SECTION 18.
WAIVERS**

The failure of either party hereto at any time or from time to time to require performance of any of the other party's obligations under this Agreement shall in no manner affect the right to enforce any provision of this Agreement at a subsequent time, and the waiver of any rights arising out of any breach shall not be construed as a waiver of any rights arising out of any subsequent breach.

**SECTION 19.
SURVIVAL**

If any of the provisions, terms or clauses of this Agreement are declared illegal, unenforceable or ineffective in a legal forum or by the operation of law, those provisions, terms and clauses shall be deemed severable and all other provisions, terms and clauses shall remain valid and binding.

**SECTION 20.
WARRANTIES**

The individuals signing this Agreement represent and warrant that they, and each of them, are duly authorized and empowered to act on behalf of and to sign for the parties for whom they have signed respectively.

CITY OF TROY, a Michigan municipal Corporation

Witness

By: _____
Dane M. Slater, Mayor

Witness

By: _____
M. Aileen Dickson, City Clerk

ATTORNEY

Witness

By: _____
Lori Grigg Bluhm

Witness