

## CITY MANAGER EMPLOYMENT AGREEMENT

THIS AGREEMENT is entered into on this 21 day of ~~July~~ <sup>Aug</sup>, 2019 by and between the City of Key West, Florida, a local governmental agency operating under the laws of the State of Florida and the Charter of the City of Key West, Florida, ("City"), whose mailing address is P.O. Box 1409, Key West, Florida 33041, and GREGORY W. VELIZ ("Manager"), whose present residence address is 1016 Washington Street, Key West, Florida 33040; and City and Manager hereby agree as follows:

**1. Employment.** City desires to employ Manager for the City of Key West, who shall be the chief executive and the administrative officer of the City in accordance with the City Charter. Manager accepts City's offer of employment

**2. Full Time Employment and Benefits.** City and Manager agree that the position of City Manager will be a full-time position. The parties recognize the hours worked by Manager will necessarily require time outside typical office hours. The City Manager will dedicate forty (40) hours per week plus such additional hours as are necessary to perform his duties as City Manager.

Manager shall receive retirement, annual and sick leave at the same rate as City employees and shall be compensated at the expiration or termination of the contract as other City employees would be compensated.

The City agrees to provide dental, vision and medical insurance for the City Manager and to pay the premiums thereon equal to the benefits that are provided to all other City employees.

### **3. Term of Agreement; Termination; Resignation.**

**A. Normal Term.** The normal term of this Agreement will be for a period of thirty-six (36) calendar months, commencing at 8:00 A.M. on the 1<sup>st</sup> day of September 2019 and ending at 5:00 P.M. on the 31<sup>th</sup> day of August 2022, unless extended as provided herein.

**B. Extension of Term.** This Agreement will automatically renew for a single three-year period unless either the City or the Manager gives the other written notice of its or his intent to modify or terminate the Agreement. Such written notice will be given not less than one hundred eighty (180) days prior to the expiration of any then existing term of this Agreement. For a renewal term year, the base salary will be increased in the same manner as the yearly increases specified in paragraph 5 of this agreement.

### **C. Termination of Agreement**

**1. By City for Cause.** The City Commission shall terminate the City Manager upon a finding of cause. "Cause" shall mean a substantial violation of the City's polices and procedures, or a violation of ordinance or law, including a finding of "misconduct" as defined Florida Statute section 443.036(30). Should City terminate this agreement for cause, Manager will not be entitled to any further compensation beyond the effective date of such termination.

**2. By City Without Cause.** City may cancel this Agreement without cause. Should City elect to cancel this agreement without cause, Manager will be entitled to receive from City, and within fifteen (15) days will be paid by City, a sum equal to the total of the prospective benefits and salary that would have been earned by Manager as if still employed under this Agreement for the twenty (20) calendar weeks following the effective date of cancellation in accordance with Florida Statute section 215.425. However, in no event will City be required to compensate Manager for more than the number of months and benefits remaining during any unexpired term under this Agreement.

**3. By Manager for Breach.** This Agreement may be terminated by Manager upon a breach of this Agreement by City, provided the City has not cured the breach within thirty (30) days following receipt of the notice of the breach. If the breach has not been cured, termination will be effective on the thirty-first (31<sup>st</sup>) day following receipt of written notice from Manager by the City.

**4. By Normal Expiration.** This Agreement is terminated upon its normal expiration date as stated in Section 3.A.

**D. Resignation by Manager.** In the event that Manager resigns from the position of City Manager prior to the normal expiration date of this Agreement, he will not be entitled to any payment for any sums provided for in paragraph 3(C)(2) above. To affect such resignation, Manager shall deliver written Notice of Resignation to the City through the City Clerk. Unless otherwise agreed or waived by the City, Manager shall provide Notice at least ninety (90) days prior to the effective date of such resignation. Such resignation shall be accepted by the City without prejudice and without recourse to any administrative or civil proceedings, and the resignation shall be effective as of the date given in the written notice.

**4. Conflict of Interest Prohibition.** The City Manager shall not without the express prior approval of the City Commission, individually, as a partner, joint venturer, officer or shareholder, invest or participate in any business venture conducting business in the corporate limits of the City, except for the purchase of real property and stock ownership in any company whose capital stock is publicly held and regularly traded. The City Manager shall abide by the provisions of Chapter 112, Florida Statutes, and the Code of Ethics pertaining to public employees.

**5. Base Salary.** The City will pay to Manager, as and for a base salary, the sum of ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$ 180,000.00) per annum for the first year of employment; the base salary shall increase each year of this Agreement at the rate of two and a half percent (.025) above the prior year's base salary. In the event City general employees do not receive a salary increase in any particular fiscal year, Manager shall likewise not receive an increase. For purposes of this Agreement, "per annum" will be defined for the first year as the twelve-month period commencing on the date specified in paragraph 3A above, and each successive twelve-month period thereafter. Payments shall be made in accordance with the City's standard payroll procedure.

**6. Transportation.** The City shall provide the manager with a car allowance of two hundred fifty dollars (\$250.00) per month.

**7. Travel Reimbursement.** City agrees to pay to or reimburse Manager for the costs of meals, other expenses and lodging incurred by Manager that may be necessary, required, or appropriate in fulfilling Managers duties and responsibilities under this Agreement. Meals, other expenses and lodging will be paid for or reimbursed at the rates specified in Section 112.061, Florida Statutes, or as permitted under City Ordinance, whichever is greater.

**8. City Retirement System.** City agrees that Manager will be a member of the General Employees Retirement Plan of the City. City and Manager will contribute such amounts at such times in accordance with standard City policy and procedure.

**9. Duties and Responsibilities.**

**A. General.** Manager will have those responsibilities and perform those duties which are listed in the City Charter, the City Code of Ordinances, state and federal law. The City Manager shall also perform such other legally permissible and proper duties and functions as the City Commission shall from time to time assign.

**B. Availability and Residence.** City Manager will be reasonably available to City Commissioners and key City staff twenty-four (24) hours per day. Such availability will be by telephone or electronic messaging, or in person. Pursuant to the city Manager job description, the manager shall establish and maintain residency in the city boundaries within six months of the commencement of employment.

**C. Performance Review.** Within 2 months after execution of this agreement, the City Commission, in consultation with Manager, shall approve by resolution a performance evaluation form for annual evaluation of the Manager. During October 2019, and continuing annually thereafter, the City Commission and City Manager shall define such goals and performance objectives that they determine necessary for the proper operation of the City Manager's office and in the attainment of the City Commission's policy objectives. The Commission shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced

to writing. They shall generally be attainable within the time limitations as specified and within the annual operating and capital budgets and appropriations provided.

In effecting the provisions of this Section, the City Commission and City Manager mutually agree to abide by applicable law. The City Manager, City Commission and Mayor will bring any perceived problems or inadequacies to the attention of the other, in private, and will exercise a good faith effort to mutually resolve such perceived problems or inadequacies.

**D. Outside Activities.** City Manager shall be allowed to teach, train and/or consult with other municipalities or private and public sector entities so long as it does not interfere or conflict with City business. The City Manager is encouraged to engage in community activities if such activities are not in conflict with the interests of the City. The City Commission shall be the sole judge of any interference or conflict.

**10. Professional Development and Memberships.** The City agrees to annually budget and to pay the reasonable travel and subsistence expenses of the City Manager for professional and official travel, meetings, seminars and other occasions, adequate to continue his professional development and to pursue official and other functions of the City.

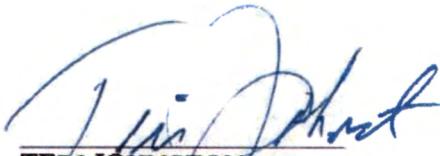
**11. Personal Leave.** The City and Manager agree that, due the variety of hours worked and requirements of the position of City Manager, interference with Manager's family life is to be expected and it is recognized that Manager may from to time absent himself during normal business hours for personal or family time; provided, however, that Manager remains reasonably available to City Commissioners and key City staff by telephone or other electronic means. Such personal time or family time will not be considered or debited against vacation time.

**12. Indemnification.** The City will defend, hold harmless, and indemnify Manager against any tort, professional liability, or other legal demand, claim, or action which is related directly or indirectly to Manager's lawful actions in his capacity as City Manager.

**13. Miscellaneous Provisions.** This agreement is made in the State of Florida and is governed by Florida law. This is the entire agreement between the parties and may not be modified or amended except by a written document signed by the party against whom enforcement is sought. This agreement may be signed in more than one counterpart, in which case each counterpart will constitute an original of this agreement. Paragraph headings are for convenience only and are not intended to expand or restrict the scope or substance of the provisions of this agreement. Wherever used herein, the singular will include the plural, the plural will include the singular, and pronouns will be read as masculine, feminine or neuter as the context requires. If any provision of this agreement is held invalid or unenforceable, the remainder of the agreement shall remain in full force and effect, and the offending provision shall be amended to the nearest legally

permissible term as permitted by law to effectuate the intent of the parties. This Agreement is a joint result of the parties' negotiations and shall not be construed against any party based on authorship. The prevailing party in any litigation, arbitration or mediation relating to this agreement will be entitled to recover its reasonable attorneys' fees from the other party for all matters, including, but not limited to, appeals. Venue for any litigation involving this agreement shall be Monroe County, Florida.

IN WITNESS WHEREOF the parties have executed this Agreement on this 21 day of Aug 2019.

  
TERI JOHNSTON,  
MAYOR CITY OF KEY WEST

  
GREGORY W. VELIZ  
CITY MANAGER

Attest

  
CHERYL SMITH, CITY CLERK

