

**COUNTY MANAGER EMPLOYMENT AGREEMENT
BETWEEN
PINAL COUNTY BOARD OF SUPERVISORS
AND
LOUIS M. ANDERSEN**

THIS EMPLOYMENT AGREEMENT hereinafter called this "Agreement", is made and entered into as of the day _____ of _____, 2019, by and between the Board of Supervisors, hereinafter called the "Board", of Pinal County, a political subdivision of the State of Arizona, hereinafter called the "County", and Louis M. Andersen, hereinafter called "Andersen".

WITNESSETH

WHEREAS, the Board desires to employ the services of Andersen as County Manager of Pinal County, said position being hereinafter referred to as "Manager", pursuant to the terms of Pinal County policies, ordinances and resolutions, and all statutes, laws and constitutional provisions of the State of Arizona that are applicable to the position of Manager; and,

WHEREAS, it is the desire of the Board to provide certain benefits and establish certain conditions of employment for Andersen as the Manager in accordance with this Agreement; and,

WHEREAS, it is the desire of the Board to secure and retain the services of Andersen as the Manager and to provide inducement for him to remain in such employment; and

WHEREAS, Andersen desires to accept employment as the Manager in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

Section 1. EMPLOYMENT

- A. The Board hereby hires and appoints Andersen as the Manager, under the terms established herein, to perform the duties and functions, as specified in the County policies, ordinances and resolutions and all statutes, laws, constitutional provisions of the State of Arizona, as they apply to the position of Manager, and to perform such other legally permissible and proper duties and functions as the Board shall assign from time to time.
- B. Andersen shall commence his duties in office effective September 1, 2019. This Agreement shall remain in effect until terminated by the Board or by Andersen as provided herein.

- C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of Andersen as Manager at any time, subject only to the provisions set forth in Section 3 of this Agreement.
- D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Andersen to resign at any time from his position as the Manager, subject only to the provisions set forth in Section 4 of this Agreement.
- E. The Manager is not subject to the Pinal County Merit System Rules as set forth in Pinal County Merit System Rule 2.3(A).

Section 2. DUTIES AND OBLIGATIONS

- A. As the Manager, Andersen shall have the duties, responsibilities and powers of said office under the County policies, ordinances and resolutions, and all statutes, laws, constitutional provisions of the State of Arizona, as they apply to the position of Manager. Andersen agrees to perform all such duties and responsibilities, and to exercise all such powers faithfully, and to the best of his ability and in a professional and competent manner.
- B. Andersen, as the Manager shall remain in the exclusive employ of the Board and shall devote all such time, attention, knowledge and skills necessary to faithfully perform his duties and responsibilities, and to exercise his powers under this Agreement. Andersen may, however, engage in educational and professional activities upon receipt of prior approval by the Board, provided that such activities shall not interfere with his primary obligation to the Board and County as the Manager. Andersen shall dedicate no less than an average of forty (40) hours per week in the performance of his duties as Manager hereunder.
- C. In the event Andersen shall serve on any appointed boards or elected boards of any professional organization, or serve on any committees related to his professional activities, in the event any monies are paid, or gifts received, excluding reimbursement of expenses by Andersen related to such service, such money or property shall be paid over to or delivered to the County, unless otherwise provided by the Board.
- D. Andersen may be permitted, upon receipt of prior approval of the Board, to engage in teaching or consulting during non-work time, so long as such activity does not in any manner conflict with the interests of the Board, the County, or any of its officers and employees. The Board shall be the sole judge regarding whether any such conflict exists, or whether the requested approval will be given.
- E. Andersen shall be required to follow, and where appropriate enforce, the Pinal County Administrative Code as adopted by the Board of Supervisors, September 21, 2011 and as may be amended from time to time. Said code, among other things, sets forth various

powers, duties and responsibilities for the County Manager.

Section 3. TERMINATION AND SEVERANCE PAY

- A. Termination without Cause. The Board may, at any time whatsoever, terminate the employment of Andersen as Manager, without cause, by an affirmative vote of not less than a majority of the members of the Board. If such event should occur, Andersen will be given written notice of the decision of the Board not less than fifteen (15) days prior to the effective date of the termination. Upon such termination, Andersen will be entitled to: 1) a severance payment equal to 52 weeks of employment if terminated anytime during year one. However, after year one and for every succeeding month, the severance amount shall be reduced by four weeks, but at no time shall be reduced lower than 36 weeks; 2) a lump sum payment at his then-hourly rate of base salary as Manager for all annual leave hours accumulated by him but unused as of the date of termination; 3) a lump sum payment at his then-hourly rate of base salary as Manager for all sick leave hours accumulated by him but unused as of the date of termination.
- B. Termination for Cause. The Board may also, for cause, terminate the employment of Andersen as the Manager at any time whatsoever, by affirmative vote of not less than the majority of all members of the Board of Supervisors, and upon reasonable prior notice to Andersen. In such instance, said termination shall be effective immediately. In the event the Manager's employment is terminated for cause, the County shall be under no obligation to pay severance pay under subsection A hereof. The term "for cause" shall be deemed under this Agreement to include: gross negligence in the handling of County affairs; willful and gross violations of Board policies; conviction of a felony; conviction (or plea of guilty or nolo contendere) of any crime involving moral turpitude or relating to official duties. For the purpose of this section, all other causes for termination will be deemed termination without cause.
- C. The term of this Agreement shall remain in full force and effect and hold over until employment is terminated under the terms herein, or a new employment Agreement has been negotiated and entered into between Andersen and the Board.

Section 4. RESIGNATION

In the event Andersen voluntarily resigns his position as Manager, he hereby agrees to give the County not less than ninety (90) days' written notice prior to effective date of any voluntary resignation.

Section 5. COMPENSATION AND ANNUAL REVIEW

- A. The County shall pay Andersen for his services as the Manager, an annual base salary of \$193,393.72 (Job #1000) payable in equal installments pursuant to County policy and may increase it from time to time as herein provided. Said salary shall be eligible for any upward adjustment effective immediately, including any across the board adjustment or

cost of living adjustment, if provided to other county employees and staff.

- B. The County shall pay Andersen annually up to one hundred and twenty (120) hours of unused annual leave during the month of June of each year if Andersen elects.
- C. Beginning in 2020, the Board shall review and evaluate the performance of Andersen as Manager at least twice every fiscal year. Said review and evaluation shall assess Andersen's performance of all duties and responsibilities, and his exercise of all powers for which he is responsible under this Agreement during the immediately preceding 6 month period. Based upon such review and evaluation, the Board agrees that it may increase the base salary and/or other benefits received by Andersen as the Manager at the time of said review and evaluation, in such amounts and to such extent as the Board may determine to be desirable in its sole discretion. Failure by the Board to conduct such a review and evaluation in any given year or years shall not be considered a breach of this Agreement. However, should the review and evaluation fail to occur, then Andersen's salary may be eligible for an increase amount equal to the across the board increase or cost of living adjustment in salary given to other full- time County employees for that year.
- D. Annually, the Board and Andersen as the Manager may jointly define such goals and performance objectives that they may determine necessary for the proper operation of the County and for the attainment of the Board's policy objectives, and shall further establish a relative priority among those various goals and objectives, and said objectives and goals shall be reduced to writing. Objectives and goals hereunder shall generally be attainable within the time limitations specified, and shall take into account the County's annual operating budget and capital budget and appropriations provided thereunder.

Section 6. RETIREMENT

As Manager, Andersen shall be enrolled as a member of the Arizona State Retirement System and the Board shall be responsible for making the employer's share of the contribution for Andersen's position in accordance with the laws of the State of Arizona.

Section 7. RELOCATION EXPENSES

To facilitate Employee's relocation and commitment to reside in Pinal County, and to defer expenses associated with such relocation, Employer shall pay Employee a lump sum of \$15,000. Employee may work directly with payroll to determine the schedule in which to receive this assistance. All Relocation payments will be considered additional gross compensation and will be

subject to the same withholding as other compensation. These deductions may include: Federal and State taxes, Social Security, Medicare, and any other legally required deductions.

Section 8. AUTOMOBILE

The Board shall provide the Manager with the choice of a vehicle and gas card provided by the county or a vehicle allowance of seven hundred dollars (\$700.00) per month. If the \$700.00 allowance option is chosen, the allotted \$700.00 includes all gas and maintenance of the vehicle.

Section 9. OTHER BENEFITS

- A. Except as may be otherwise limited under the terms of this Agreement, Andersen as the Manager, shall be entitled to earn, use and accrue annual leave, sick leave, holiday leave and other benefits as are generally granted to other full-time County employees.
- B. The Board, in consultation with Andersen, may fix any such other terms and conditions of employment as it may determine from time to time relating to the performance of Andersen as the Manager, provided that such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or the laws of the State of Arizona or other applicable law.

Section 10. INSURANCE

- A. During the entire duration of Andersen as Manager, the Board shall provide term life insurance at no cost to Andersen in the amount of two times his annual salary.
- B. The Board shall provide to Andersen a contribution to the Employee's 457 account equal to the county's total cost of a full-time county employee's enrollment in the family PPO medical, dental and vision insurance.

Section 11. NO REDUCTION OF BENEFITS

The Board shall not, at any time during the term of this Agreement, reduce the salary, compensation or other financial benefits of Andersen as the Manager, except to the degree of any such reduction made across-the-board for all full-time County employees.

Section 12. DUES AND ASSOCIATION MEMBERSHIPS

- A. The Board agrees to pay for the professional dues and subscriptions of Andersen, necessary for his full participation in the International City/County Management Association and the Arizona City and County Management Association, and other organizations that the Board agrees are necessary and desirable, in accordance with County budget policy and approval.

- B. The parties agree that it is necessary for Andersen, as the Manager, and beneficial to the County for Andersen as the Manager, to attend professional conferences and training sessions associated with counties and county administration. The Board agrees that Andersen shall be permitted to attend professional association conferences or training sessions as selected by Andersen, provided his physical absence from the territorial limits of the County does not exceed eight (8) business days in the first year of this Agreement and ten (10) business days in the second year of this Agreement. The Board further agrees that the County shall pay the travel and lodging expenses incurred in Andersen's attendance at such conferences, together with per diem for subsistence, but only in accordance with the policies of the Board. Nothing contained herein shall preclude Andersen from using annual leave for professional association conferences or training sessions. Should Andersen elect to use annual leave for such purposes, he shall be entitled to payment of the travel, lodging and per diem expenses associated therewith as provided hereinabove.
- C. For purposes of this section, professional associations may include, but are not limited to, the annual conference of the International City/County Management Association, the State of Arizona Local Government Management Association, and such other national, regional, state and local government groups and committees thereof in which Andersen serves as a member.

Section 13. RESIDENCE

Andersen shall become a full-time resident of the County within twelve (12) months following the commencement date of his employment under this Agreement, and shall remain a full-time resident of the County for the duration of his employment as Manager under this Agreement.

Section 14. SUSPENSION

The Board shall have the authority to suspend Andersen as Manager and place him on administrative leave **with full** pay at any time during the term of this Agreement, with or without cause, by an affirmative vote of not less than a majority of the members of the Board, and upon reasonable prior notice to Andersen.

Section 15. INDEMNIFICATION

To the extent required and otherwise allowed by law, but subject to the limitations set forth in the Arizona Revised Statutes, and as otherwise may be limited or prohibited by law, and without waiving the sovereign immunity of the Board or the County, the Board agrees that the County

shall defend, hold harmless and indemnify Andersen against any tort, professional liability claim, demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission committed by Andersen within the scope of his employment hereunder as Manager, provided that Andersen timely reports the same to the Board and cooperates fully in the County's defense thereof. The Board may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon, subject to reimbursement by Andersen, if required by law. Said indemnification shall extend beyond termination of employment and expiration of this Agreement to provide full and complete protection to Andersen by the County for any acts or omissions committed within the scope of his employment hereunder as Manager, regardless of whether the notice or filing of a lawsuit for such tort, claim, demand, or other legal action occurs during or following Andersen's employment with the County. The provisions of this section shall not apply to any claim, demand, suit or cause brought or asserted against Andersen for his acts or omissions committed while acting outside the course and scope of his employment under this Agreement, or committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, property or civil rights.

Section 16. ENTIRE AGREEMENT

The text of this document shall constitute the entire Agreement between the parties, except as may be amended in writing by the parties hereto. All provisions contained in this Agreement are subject to and conditioned upon compliance with all Pinal County policies, ordinances and resolutions, and with the laws of the State of Arizona.

Section 17. CHOICE OF LAW

Any dispute arising under this contract shall be subject to resolution pursuant to the laws of the State of Arizona and venue for any action arising out of this contract shall be in Pinal County, Arizona.

Section 18. GENERAL PROVISIONS

- A. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.
- B. If any provision or portion of this Agreement is held unconstitutional, invalid or unenforceable, the remainder of the Agreement or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.
- C. The Board and Andersen agree that this contract is subject to the implied covenant of good faith and fair dealing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to have been executed on behalf of each as of the date and year first above-written.

COUNTY MANAGER:

LOUIS M. ANDERSEN

BOARD:

Board of Supervisors of Pinal County, a
political subdivision of the State of Arizona:

By: _____
MIKE GOODMAN
Chairman of the Board of Supervisors

Attest:

Approved as to form:

NATASHA KENNEDY
Clerk of the Board

KENT VOLKMER
County Attorney

