

Takoma Park City Council Meeting – June 23, 2021 Agenda Item 1

Voting Session

Resolution Approving an Employment Agreement between the City of Takoma Park and Jamal T. Fox, as City Manager

Recommended Council Action

Consider the proposed Resolution.

Context with Key Issues

The current City Manager, Suzanne Ludlow, is retiring July 1, 2021. The City Council conducted an executive search with the assistance of the Novak Consulting Group.

During the recruitment process, to assist the Council in determining the most important knowledge, skills, and abilities for the next City Manager to possess, the Council and the Novak Consulting Group conducted:

- Community Conversation on City Manager Search
- An online survey
- Two stakeholder focus groups
- Additional stakeholder interviews

The nationwide search resulted in over fifty (50) applications for the position. Various selection methods were used, including resume screening and phone, virtual, and in-person interviews. The Council selected Jamal T. Fox to be the next City Manager and engaged Mr. Fox in negotiations of the terms of his employment. Mr. Fox has accepted the offer of employment as City Manager.

The Agreement includes the following terms: an initial four (4) year term with potential extension; a base salary of \$195,000; a monthly car allowance of \$500; a relocation bonus of \$35,000; four (4) weeks of vacation leave per year; eighty (80) hours of personal leave per year; other health and welfare benefits consistent with executive level directors in the City.

Council Priority

Engaged, Responsive, Service-oriented Government

Environmental Considerations

Not applicable.

Fiscal Considerations

The Council had budgeted \$190,000 in salary and \$59,000 in fringe benefits for the next City Manager.

Racial Equity Considerations

The Novak Consulting Group was selected, in part, because of their experience in recruiting diverse applicant pools. They successfully conducted a recruitment that resulted in a diverse pool of candidates.

Attachments and Links

- Draft Resolution
- Agreement

Introduced by: Councilmember

CITY OF TAKOMA PARK, MARYLAND

RESOLUTION NO. 2021-

APPROVING AN EMPLOYMENT AGREEMENT BETWEEN THE CITY OF TAKOMA PARK AND JAMAL T. FOX, AS CITY MANAGER

- WHEREAS, the current City Manager, Suzanne Ludlow, will retire on July 1, 2021; and
- WHEREAS, the Council conducted a nationwide executive search via the Novak Consulting Group; and
- WHEREAS, the Council developed a recruitment process with the input of Novak Consulting Group, which included a Community Conversation via zoom, two stakeholder focus groups, public comments, public survey, and other interview modes; and
- WHEREAS, the search, review, and interview processes resulted in the City Council's selection of Jamal T. Fox; and
- WHEREAS, the City Council reached a final agreement with Mr. Fox on the terms and conditions of his employment with the City; and
- WHEREAS, the City of Takoma Park now wishes to enter into a written four (4) year employment agreement with Mr. Fox providing for him to be the City Manager; and
- WHEREAS, the Employment Agreement is attached to this resolution and incorporated by reference herein; and

WHEREAS, Mr. Fox's employment with the City will commence on August 2, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT the City Council hereby approves the Employment Agreement between the City and Mr. Fox as City Manager; and

BE IT FURTHER RESOLVED THAT the City Council authorizes the Mayor to execute said Employment Agreement on behalf of the City of Takoma Park, Maryland.

Adopted this _____ day of June, 2021.

Attest:

Jessie Carpenter, CMC City Clerk

EMPLOYMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made this 25th day of June, 2021, by and between the City of Takoma Park, Maryland, a political subdivision of the State of Maryland (the "City"), and Jamal T. Fox, and individual ("Employee").

WHEREAS, the City desires to employee Jamal T. Fox as City Manager; and,

WHEREAS, the City Council of the City (the "Council") desires to establish the terms and conditions for such employment; and,

WHEREAS, Employee desires to accept employment as the City Manager;

NOW, THEREFORE, intending legally to be bound, and in exchange for the mutual promises contained herein, the parties agree as follows:

1. <u>EMPLOYMENT.</u> The City hereby employs Employee to serve as City Manager, and Employee accepts that employment, upon the terms and conditions herein set forth.

2. <u>TERM.</u>

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2.1. <u>Initial Term.</u> This Agreement shall be of a continuing nature with the parties sharing the goal that it last for four (4) years, beginning August 1, 2021, and ending July 31, 2025. The parties look forward to a long-term relationship and acknowledge the International City and County Management Association ethical standard that city managers should commit to serving for a term no less than two (2) years.

2.2. <u>Termination</u>. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Council to terminate the employment of Employee at any time, subject only to any applicable provisions of the City Charter and Section 7 of this Agreement. Likewise, nothing in this Agreement shall prevent Employee from resigning at any time; provided that if Employee voluntarily resigns his position with the City, he shall give the Council sixty (60) days' advance written notice, unless otherwise mutually agreed upon in writing by the City and Employee. In the event of such a resignation, the Council may, in its sole discretion: (a) immediately relieve Employee of any further duties required pursuant to this Agreement; and (b) pay Employee the salary and benefits to which he may be entitled until the date which is sixty (60) days after the date on which the Employee gave notice of termination.

2.3. <u>Extensions.</u> The parties will meet and confer beginning on or around July 1, 2024, to decide

whether this Agreement will be extended beyond the initial four (4) year period, the duration of any such extension to be jointly determined by the parties.

3. <u>EMPLOYEE'S REPRESENTATIONS.</u> Employee represents and warrants to the City that: (i) Employee will be available to work for the City from and after the date on with the Term begins; (ii) the execution, deliver, and performance of this Agreement is neither prohibited by, nor constitutes a default under, any statute, law, judgment, order, decree, writ, injunction, deed, instrument, agreement, contract, lease, license or permit to which Employee is a party or by which Employee is bound; and (iii) to the best of Employee's knowledge, there is no litigation, proceeding or investigation by any governmental agency or professional organization, including, but not limited to, any bankruptcy proceeding, pending or threatened against Employee.

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4. <u>DUTIES</u>. As City Manager, Employee shall perform the functions and duties specified in the City Charter, and such other legally permissible duties and functions as the Council shall, from time to time, assign. The Council shall direct, control, and supervise Employee's work. Employee shall fully and faithfully perform all duties assigned to Employee, and shall devote his best efforts on behalf of the City. Employee shall work exclusively and actively on a full-time basis for the City. Employee shall be permitted to engage in such activities as teaching, writing, and such other activities that do not conflict with the performance of his duties hereunder and that do not conflict with the interests of the City. The Council shall be the sole judge of any conflict.

5. COMPENSATION.

5.1. <u>Base Salary</u>. For all services rendered by Employee pursuant to this Agreement, the City shall pay Employee an initial annual salary of \$195,000, which may be reviewed and adjusted by the Council annually.

5.2. <u>Car Allowance.</u> The City will pay Employee five hundred dollars (\$500) per month as a vehicle allowance, which is inclusive of maintenance and insurance costs. This payment shall be in lieu of providing Employee with a City-owned or leased motor vehicle and reimbursement for automobile travel expenses.

5.3. <u>Relocation</u>. The City will pay a one-time relocation bonus of \$35,000 to facilitate Employee's move to the City. This bonus may be paid at any time after this Agreement has been fully executed. Employee agrees to reimburse the City for the amounts paid pursuant to this paragraph if he voluntarily terminates his employment or is discharged for cause prior to the completion of two years of service according to the following rates and schedule: (a) 100% if employed for less than 6 months; (b) 75% if employed for 6 months but less than 12 months; (c) 50% if employed 12 months but less than 18 months; and (d) 25% if employed for 18 months but less than 24 months. Employee understands and acknowledges that the payment provided for non-deductible moving and relocation expenses will be included in Employee's gross income as wages and subject to withholding of all applicable taxes.

5.4. <u>Amounts Withheld.</u> The City may withhold from Employee's compensation, and from any other amounts paid to or for the benefit of Employee, all sums authorized by Employee or required to be withheld by law, court decree, and executive order, including, but not limited to, such things as income taxes, employment taxes, and employee contributions to fringe benefit plans sponsored by the City and/or State.

5.5. <u>On-Boarding.</u> Employee will be present in the City for one week in June of 2021, official dates to be mutually agreed upon, for on-boarding purposes and to meet with the Council and Senior Leadership Team. Employee will be compensated for forty (40) hours at the rate of \$93.75 per hour. The City will reimburse Employee for travel, for the cost of Employee to stay at a hotel during this period, and will provide Employee a City vehicle during this period.

6. FRINGE BENEFITS.

6.1. <u>Health and Welfare Benefits</u>. The City will pay one hundred percent (100%) of

the premiums for Employee and his eligible dependents to obtain Employee's choice of group medical, dental, and vision insurance through the health and welfare plans sponsored by the City.

6.2. <u>Retirement.</u> The City is a participating governmental unit in the Maryland State Retirement System. Employee will participate in the system on the terms established by the State Retirement Agency.

6.3. <u>Matching Contributions to 457 Plan.</u> The City will match Employee's elective deferrals to the City sponsored 457 plan, up to two percent (2%) of eligible compensation and the maximum amount permitted by law, as is consistent with other City employees

6.4. <u>Disability and Life Insurance.</u> Employee will participate in the City's group Long Term Disability (LTD) plan. The City will pay one hundred percent (100%) of the cost of the LTD premiums. Employee is eligible to participate in the City's group Short Term Disability (STD) plan. If employee elects STD benefits, he will be responsible for paying the associated cost on the same terms as other management employees of the City. The City will also provide life and accidental death and dismemberment insurance on the same basis it provides these benefits to other management employees of the City.

6.5. <u>Reimbursement of Expenses.</u> The City shall reimburse or pay Employee for routine business expenses and travel expenses in accordance with City procedures, and per budgetary approval.

6.6. <u>Professional Development.</u> The City will pay reasonable membership dues for Employee's membership in standard professional associations and the fees for Employee's attendance at recognized conferences of professional associations where such memberships and attendance are necessary for Employee to fully discharge his duties and responsibilities (i.e., ICMA, NFBPA, MCCMA, or NRPA memberships), subject to budgetary availability.

6.7. <u>Equipment.</u> The City will provide and pay for a mobile telephone, iPad, and laptop, and for the use and maintenance of those devices.

6.8. Paid Leave.

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6.8.1. <u>Vacation Leave</u>. Employee will accrue vacation leave at the rate equal to four (4) weeks per year, or twenty (20) days. Carryover of unused vacation hours will be allowed consistent with the policies of other full-time employees.

6.8.2. <u>Sick Leave.</u> Employee will accrue the same leave other full-time employees accrue, currently one hundred twenty (120) hours, or fifteen 15 days. Use and carryover will be allowed consistent with the policies of other full-time employees.

6.8.3. <u>Personal Leave</u>. Employee will be granted eighty (80) hours of personal leave, or ten (10) days, per year. This leave shall be credited at the beginning of each calendar year and must be used by the end of each calendar year. Any personal leave hours not used at the end of the calendar year will be forfeited.

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6.8.4. <u>Holidays.</u> Employee shall be paid for the holidays recognized by the

City.

6.9. <u>Other Benefits</u>. Except as specifically provided for herein, Employee shall be provided the same benefits provided to the executive management staff of the City.

7. TERMINATION AND SEVERANCE PAY.

7.1. <u>Termination Without Cause</u>. Employee serves at the pleasure of the Council, and this Agreement may be terminated at any time by the Council with or without cause. If Employee is terminated by the Council without cause before the expiration of the four (4) year term of this Agreement, then Council will pay Employee severance pay equal to six (6) months of the Employee's base salary and will continue Employee's health, dental, and vision benefits only for six (6) months. The City shall have no other obligation under this Agreement. The continuation of pay provided under this paragraph is contingent on Employee signing a release of claims arising out of or related to his employment.

7.2. <u>Termination for Cause.</u> If Employee is terminated for cause, including but not limited to his conviction of any illegal act or a determination by the Council that he has engaged in behavior clearly detrimental to the City, Employee shall be paid salary and accrued benefits through the date of termination, and he shall not be entitled to any other pay or benefits. Prior to any Council decision to terminate Employee for cause, Employee will receive notice and an opportunity to be heard. "Cause" means: (i) Employee's inattention to or neglect of, or negligence or incompetence in the performance of Employee's duties; (ii) material breach or violation by Employee of any obligation.

7.3. <u>Termination Upon Death.</u> Employee's employment by the City will terminate automatically and immediately upon Employee's death.

7.4. <u>Termination Upon Disability.</u> The Council may terminate this agreement if Employee is unable to perform the duties hereunder for sixty (60) consecutive days. In such event, Employee will be paid salary and accrued benefits through the date of the termination, and Employee shall not be entitled to any additional notice, severance pay, or continuation of benefits except as allowed through COBRA. Notwithstanding anything herein contained to the contrary, the City will at all times comply, to the extent it is required to do so, with the Americans with Disabilities Act, the Family and Medical Leave Act, and any other applicable state, county, or federal employment law.

7.5. <u>Suspension.</u> If Employee has been criminally charged or it is alleged that Employee has engaged in misconduct clearly detrimental to the City, the Council may, by majority vote, suspend Employee with full pay and benefits, pending prompt investigation and resolution, if it finds that continuation in office pending the determination of these charges would compromise the public trust.

7.6. <u>Offset.</u> In the event of any termination, the City may offset against any amount it owes Employee, any amount which Employee owes the City. Employee expressly authorizes the City to withhold any such amounts from his final paycheck.

8. PERFORMANCE EVALUATIONS.

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8.1. <u>Evaluations.</u> The Council will evaluate Employee's performance after the first six (6) months of service and annually upon the anniversary of the hire date thereafter. The review and evaluation shall follow criteria established by the Council. The primary purpose of such review and evaluation is to facilitate an open and frank discussion, define roles and expectations, identify performance strengths and weaknesses, and to provide Employee an opportunity to take affirmative action to address weaknesses and areas needing improvement.

8.2. <u>Bonus.</u> Employee will receive a \$10,000 bonus if Employee receives a "Successful" evaluation at the end of the fourth (4th) year of this Agreement.

9. <u>INDEMNIFICAITON</u>. In accordance with the terms and conditions of Maryland's Local Government Tort Claims Act, the City agrees to provide a legal defense to Employee and to indemnify him from and against any legal action arising out of any actions or omissions committed by him within the scope of his employment with the City.

10. <u>BONDING.</u> The City shall bear the cost of any fidelity bond or other bonds required of Employee by law.

11. <u>OTHER TERMS AND CONDITIONS.</u> The Council may fix any such other terms and conditions of employment as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with provisions of this Agreement, the City Charter, or any other law. However, all provisions of the City Charter, and regulations, rules, and policies of the City relating to any paid leave, retirement and pension system contributions, holidays, and other fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to any other management level employees of the City.

13. <u>MISCELLANEOUS.</u> This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland. Any action arising under this Agreement shall be brought in the Circuit Court of Maryland for Montgomery County or the United States District Court for the District of Maryland.. Whenever used herein, the singular includes the plural and the plural includes the singular. The use of any gender, tense or conjugation includes all genders, tenses and conjugations. The Section headings have been included for convenience only, are not part of this Agreement, and are not be taken as an interpretation of any provision thereof. Except as set forth herein, this Agreement contains the entire agreement between the parties as to the terms of Employee's employment. Neither the City nor Employee has relied upon any representations, express or implied, not contained in this Agreement. This Agreement may not modified except by a writing signed by Employee and the City Council. The failure by either party to insist upon the strict performance of any or all of the provisions of this Agreement shall not constitute a waiver of any provision of this Agreement. This Agreement may be executed in counterparts, any one of which shall be regarded for all purposes as an original, and all of which shall constitute one and the same instrument. IN WITNESS WHEREOF, the City of Takoma Park, Maryland has caused this Agreement to be signed and executed on its behalf by its City Council and duly attested by the City Clerk, and Employee has signed and executed the Agreement, both in duplicate, this date

Jamal T. Fox Employee

Kate Stewart

Mayor

ATTEST:

Witness

Jessie Carpenter, City Clerk

APPROVE AS TO FORM:

Witness

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E.I. "Skip" Cornbrooks, IV, Esq. Karpinski, Cornbrooks & Karp, P.A. City Attorney