

# CITY MANAGER EMPLOYMENT AGREEMENT

between

**THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH**

and

**JOSEPH A. MELDER**

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**THIS CITY MANAGER EMPLOYMENT AGREEMENT** (this “Agreement”) is made and entered into this 10<sup>th</sup> day of September 2021 (the “Effective Date”), by and between **THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH** (the “City”) and **JOSEPH A. MELDER** (“Employee”).

## WITNESSETH:

**WHEREAS** the City wishes to enter into an employment agreement with Employee providing for Employee’s employment as City Manager in accordance with the City Charter and the City Code; and

**NOW THEREFORE**, for and in consideration of the premises of this Agreement, the mutual covenants herein contained, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereby agree as follows:

### **Section 1. Employment and General Duties and Authority.**

(a) The City hereby employs Employee to serve as City Manager as more particularly set forth below.

(b) Employee will perform those duties of City Manager as specified in the City Code and the pertinent acts, statutes and regulations of the State of Georgia, as well as such other lawful duties assigned to the City Manager by the City, to include but not limited to:

1) Employee shall faithfully and industriously assume and perform with skill, care, diligence and attention all responsibilities and duties connected with his employment on behalf of the City, and shall comply with the policies and procedures of the City as well as its ethical guidelines;

2) Employee shall abide by any and all applicable laws, regulations, and standards, and the procedures governing the administration of the City in accordance with the City Code;

3) Employee shall have no authority to enter into any contracts

binding upon the City, or to deliberately create any obligations on the part of the City, except as may be specifically authorized by the City Charter and the City Code or as otherwise authorized by the Mayor and Aldermen of the City of Savannah; and

4) Employee agrees to devote his efforts, energy and skill to his duties and responsibilities as City Manager as required by the position.

- A. Employee shall not be required to accept Employer's assignment of any duties outside of the scope of those customarily performed by persons holding the role of City Manager in the absence of the Employer's express written consent to such assignment.
- B. Employee may not reassign the Employee to another position in the absence of Employer's express written consent to such assignment. Employer shall not unreasonably interfere with the Employee's performance of such duties.
- C. Employee shall be the City Manager of the Employer, and except as may be provided otherwise by applicable law, regulation, or Employer's agreement with any other person, Employee shall have the ultimate supervisory and managerial authority and responsibility to hire, direct, assign, reassign, evaluate, change the terms and conditions of employment, and terminate the employment of all other employees of the Employer consistent with the policies of the governing body and the ordinances and charter of the Employer, which authority may be delegated by Employer to such other employees as Employee deems appropriate.
- D. Employer and Employee agree and acknowledge that Employee's Powers and Duties are governed by the Charter of the Mayor and Aldermen of the City of Savannah. Nothing herein is an attempt or should be construed as a modification of those Duties and Responsibilities but rather explicitly restate some of those Duties and Responsibilities with the following:
  - 1) Except as may be provided otherwise by applicable law, regulation, or Employer's agreement with any other person, Employee shall have the authority to establish internal regulations, rules and procedures which the Employee deems necessary for the efficient and effective operation of the Employer.
  - 2) Employee shall attend and be permitted to attend, whether personally or through a designee of Employee's choosing, all meetings of Employer's governing body, both public and closed, with the exception of those closed meetings devoted to the subject of this Agreement, or any amendment thereto, or the Employee's evaluation, unless otherwise provided by applicable law, regulation, or Employer's agreement with any other person.
- E. Employer agrees to promptly communicate and provide Employee a reasonable opportunity to cure all substantive criticisms, complaints, and suggestions with respect to Employee's performance of services pursuant to this agreement.

## **Section 2: Term**

- A. This agreement shall remain in full force in effect from September 10, 2021 until termination by the Employer or Employee as provided in Section 9 of this agreement.

## **Section 3: Compensation and Retirement**

- A. Base Salary: Employer agrees to pay Employee for his services rendered pursuant hereto an annual base salary of Two-Hundred-Sixty-Thousand Dollars (\$260,000.00), payable in bi-weekly installments at the same time and manner as other employees of the City are paid.
- B. Employee is eligible for pension as well as annual Cost of Living increases available to other City employees.
- C. This annual base salary may be increased by the Employer each year, in an amount to reflect the increase in cost of living available for other city employees, beginning in the fiscal year starting January 1, 2022, and in an amount established by Employer to provide a merit increase based upon satisfactory evaluation, beginning in the fiscal year starting January 1, 2023.
- D. This agreement shall be automatically amended to reflect any salary adjustments that are provided pursuant to Subsection B and C.
- E. Deferred Compensation: In addition to the Employer's payment to the state or local retirement system (as applicable) referenced above, Employer agrees to execute and keep in force all necessary agreements provided by ICMA Retirement Corporation (ICMA-RC) or any other Section 457 deferred compensation plan for the Employee's participation, or continued participation, in such supplemental retirement plan. In addition to the annual base salary paid by the Employer to the Employee, beginning January 1, 2022, the Employer agrees to pay Ten-Thousand Dollars (\$10,000.00) annually or one half the maximum amount allowable pursuant to federal and/or state rules or regulations annually, whichever is greater, into the designated plan on the Employee's behalf, in an equal proportionate amount each pay period. In addition to the annual base salary paid by the Employer to the Employee, Employer agrees to pay Three-Thousand-Five Hundred Dollars (\$3,500.00), into the designated plan on the Employee's behalf, in an equal proportionate amount each pay period for calendar year 2021.
- F. The Employer shall immediately, or at the first permissible opportunity, enroll the Employee into the applicable state or local government retirement system, or alternative as allowed by State Statute, and to make all the appropriate Employer contributions on the Employee's behalf.

## **Section 4: Health, Disability, and Life Insurance Benefits**

- A. Employee is eligible for life, group health, short-term and long-term disability

benefits available to other City employees.

- B. The Employer agrees to provide and to pay the premiums for health, hospitalization, surgical, vision, dental and comprehensive medical insurance for the Employee, at a minimum, equal to the highest level of coverage provided to any other employee. If the Employer's insurance requires a waiting period before the Employee is eligible for coverage under the Employer's plan, the Employer agrees to reimburse the Employee for the costs of COBRA insurance for the same, during the initial waiting period.
- C. Except as otherwise provided in this Agreement, the Employee shall be entitled, at a minimum, to the highest level of benefits enjoyed by and/or available to other employees as provided by the Employer's policies, charter, ordinances, or personnel rules and regulations or other practices.

**Section 5: Car Allowance.**

- A. The Employer agrees to pay to the Employee, during the term of this Agreement and in addition to other salary and benefits herein provided, the sum of \$600 per month, as a vehicle allowance to be used to purchase, lease, or own, operate and maintain a vehicle. The Employee shall be responsible for paying for liability, property damage, and comprehensive insurance coverage upon such vehicle and shall further be responsible for all expenses attendant to the purchase, operation, maintenance, repair, and regular replacement of said vehicle.

**Section 6: Expenses.**

- A. The City shall pay or reimburse Employee for any expenses reasonably incurred by him in furtherance of his duties hereunder, consistent with the City's policy upon submission by him of vouchers or receipts maintained and provided to the City in compliance with such rules and policies relating thereto as the City may from time to time adopt.
- B. Employer agrees to pay for professional dues, including but not limited to ICMA, and subscriptions for the Employee necessary for continuation and full participation in national, regional, state and local associations, and organizations necessary and desirable for the Employee's continued professional participation and growth for the good of the Employer.
- C. Employer agrees to pay for travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for the Employer, including but not limited to ICMA annual, regional, and affiliate conferences.
- D. Employer agrees to pay for travel and subsistence expenses of Employee for courses, institutes, and seminars that are necessary for the Employee's professional

development activities.

- E. The Employer acknowledges the importance the value of having Employee participate and be directly involved in local civic clubs or organizations. Accordingly, Employer shall pay for the reasonable membership fees and/or dues to enable the Employee to become an active member in local civic clubs and organizations.

**Section 7: Relocation Expenses.**

- A. The City shall pay the Employee an up-front lump sum of Ten Thousand Dollars (\$10,000.00), no later than fourteen (14) days after the signing of this agreement, to assist in the relocation from his present residence to Savannah and for the initial living expenses of the Employee in Savannah. Verified relocation expenses over and above \$10,000.00 will be repaid in an additional amount not to exceed an additional Five Thousand Dollars (\$5,000.00).

**Section 8: Vacation, Sick and Other Leave**

- A. Upon commencing employment, the Employee shall be credited with 10 days sick leave and 10 days annual leave. The Employee shall then accrue sick and annual leave as if Employee is beginning his 6<sup>th</sup> year of service and shall be entitled to other leave as provided to other general full-time City employees.

**Section 9: Termination**

- A. Employee acknowledges that he serves at the pleasure of the City. For the purposes of this Agreement, termination shall occur when:
  - i. A majority of the governing body votes to terminate the Employee in accordance with Georgia law, at a properly posted and duly authorized public meeting. At the time of signing of this contract, a majority is defined as five (5) of the nine (9) members of the governing body.
  - ii. If the Employer, citizens or state legislature acts to amend any provisions of the City Charter or City Code, or any other law, pertaining to the role, powers, duties, authority, or responsibilities of the Employee's position that substantially changes the form of government, the Employee shall have the right to declare that such amendments constitute termination.
  - iii. If the Employer materially reduces the base salary, compensation or any other financial benefit of the Employee, such action shall constitute a breach of this Agreement and the Employee shall have the right to declare that such reductions constitute termination.
  - iv. If the Employee resigns following an offer to accept resignation, whether formal or informal, by the Employer as representative of the majority of

the governing body that the Employee resign, then the Employee may declare a termination as of the date of the suggestion.

- v. Employee's refusal to comply with a directive that violates the ICMA Code of Ethics in no event shall serve as a cause of termination.

#### **Section 10: Severance.**

- A. Employee shall not be entitled to any Severance after December 31, 2023, unless otherwise specified in the Charter and/or renewed or extended by any future Mayor and Alderman of the City of Savannah. Employee acknowledges that the present Mayor and Aldermen of the City of Savannah cannot bind any future Mayor and Aldermen of the City of Savannah to this Section. Extension and/or renewal of this Section may be re-evaluated by future Mayor and Aldermen of the City of Savannah.
- B. If terminated on or before December 31, 2023, Severance shall be paid to the Employee when employment is terminated as defined in Section 9. If the Employee is terminated on or before December 31, 2023, the Employer shall provide a minimum of severance payment equal to 12 months of employment. The Severance shall be made in a lump sum or in a continuation of salary on the existing biweekly basis, at the Employee's option.
- C. Severance shall be defined as Employee's annual Base Salary. The Employer agrees to continue health and dental insurance for employee for a period of 12 months regardless of Employee's option in subsection B above.
- D. Employee is not entitled to any Severance or benefit continuation pursuant to this Section 10 in the event he is terminated: (1) for willful misconduct (2) for gross dereliction of duty (3) for fraud (4) for theft (5) for being charged with or convicted of (including pleading guilty or nolo contendere to) a felony or (6) because of Employee's death.

#### **Section 11: Resignation**

- A. In the event that the Employee voluntarily resigns his position with the Employer, the Employee shall provide a minimum of 30 days' notice.

#### **Section 12: Performance Evaluation**

The Employer shall annually review the performance of the Employee, subject to the process established by the Employer for performance reviews of appointees.

#### **Section 13: Hours of Work**

It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end Employee shall be allowed

to establish an appropriate work schedule.

#### **Section 14: Outside Activities**

The employment provided for by this Agreement shall be the Employee's sole employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to the Employer and the community, the Employee may elect to accept limited teaching and consulting opportunities with the understanding that such arrangements shall not constitute interference with nor a conflict of interest with his or her responsibilities.

2. Representations and Warranties of Employee. Employee makes the following representations and warranties and acknowledges that the City has relied upon the truth of such representations and warranties in entering into this Agreement:

- (a) Employee has never been convicted of a felony;
- (b) To the best of Employee's knowledge, there have been no complaints or reports concerning Employee's conduct made to any professional licensing or credentialing agency;
- (c) Employee is not currently a party to or witness in any civil litigation or criminal or other proceeding relating to the performance of any professional services performed or supervised by Employee and Employee is aware of no such pending or threatened claims;
- (d) Employee has never been a party to any civil or criminal proceeding in which allegations were made of unlawful or otherwise inappropriate conduct toward a minor; and
- (e) Employee is not subject to any agreement, including a non-competition agreement, that would preclude him from discharging his obligations and duties under this Agreement.

3. Representations and Warranties of the City. The City makes the following representations and warranties and acknowledges that Employee has relied upon the truth of such representations and warranties in entering into this Agreement:

- (a) The City is not subject to any agreement that would preclude the City from discharging its obligations under this Agreement; and
- (b) The City shall be solely responsible for the payment of any judgment, arbitration award or settlement awarded against Employee arising from any third party claim or action pertaining to the Employee's employment with the City, and the City shall further be solely responsible for paying the costs and expenses of legal representation for Employee in connection with any such claim or action, and these obligations shall survive the termination or expiration of

this Agreement.

4. Conflict of Interest. Employee shall not engage in any activity which is or may become a prohibited conflict of interest or which may create an incompatibility of office as defined by Georgia law.

5. Nondisclosure of Trade Secret and Confidential Information. Other than in the reasonable and normal exercise of his obligations under this Agreement, Employee agrees not to use, communicate, or otherwise disclose, whether orally or in writing, any trade secret or confidential information of the City to which Employee may become privy as a result of his employment with the City, including, but not limited to: Manager/client privileged information, financial information, business methods or operations, training modalities or processes, business methods or operations, business information, agreements or contracts (whether written or verbal), operations or business or marketing plans of the City, including lists of or any information related to proposed or ongoing business development and projects, client lists, or any other sensitive business information. This non-disclosure and confidentiality agreement is intended to include all information deemed a "trade secret" under O.C.G.A. § 10-1-760 and "confidential information" under O.C.G.A. § 51-8-51(3), which information might not be a trade secret, but which the City has made a reasonable effort to keep confidential. There shall be no expiration to the nondisclosure and confidentiality obligations set forth herein as long as such information remains a trade secret or confidential under applicable laws. The parties specifically acknowledge that the City is subject to Georgia's Open Records Act, O.C.G.A. § 50-18-70, *et seq.*, and nothing in this Section 10 shall be construed to impair Employee's obligations under said Act.

6. Amendments. This Agreement may not be amended or modified in any manner except in writing signed and agreed to by each party.

7. No Waiver. The failure of either party to enforce at any time any of the provisions of this Agreement shall in no way be considered a waiver of any such provision or the rights of that party thereafter to enforce each and every such provision of this Agreement. No waiver of any breach of this Agreement shall constitute waiver of the entire Agreement or of any subsequent breach.

8. Entire Agreement. The terms contained within this Agreement constitute the entire understanding and agreement between the parties with respect to its terms. The Initial Employment Agreement and all other prior agreements, written or verbal, related to Employee's services are hereby nullified and superseded and neither party shall have rights or obligations under said superseded agreements.

9. Severability. The provisions contained in this Agreement are severable and may stand alone. If it is determined that one or more provisions of this Agreement is invalid or not enforceable for any reason, the remaining covenants will remain in effect, however a court of competent jurisdiction may modify such provisions deemed invalid or unenforceable to make them enforceable, consistent with the intent of the parties.

10. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Georgia. Venue shall be proper only in the federal or



state courts located in Chatham County, Georgia, and the parties hereby consent to personal jurisdiction and venue in those forums.

11. Notices. All notices provided pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been properly given if delivered to the address set forth below or, with respect to a notice to Employee, if delivered in person to Employee:

If to the City:           The Mayor of the City of Savannah  
City Hall  
2 East Bay Street  
Savannah, GA 31401

If to Employee:        Joseph A. Melder  
3333 Wisconsin Avenue NW  
Apt 504  
Washington, DC 20016

In the event the address of a party shall change, delivery may be made to the last known address of such party.

12. Attorney's Fees. If either party prevails or substantially prevails against the other party in any litigation arising from this Agreement, that other party shall be responsible for the litigation expenses, including reasonable Attorney's fees, costs, and expenses, of the prevailing or substantially prevailing party.

13. Assignment. This Agreement is not assignable by either the City or the Employee.

14. Miscellaneous. This Agreement has been drafted jointly by the parties. Accordingly, any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment.

**The signatures of the parties below indicate that each has read and understood the Agreement and will abide by the terms stated herein.**

This Agreement has been executed by the parties on the dates noted below and shall be effective as the Effective Date.

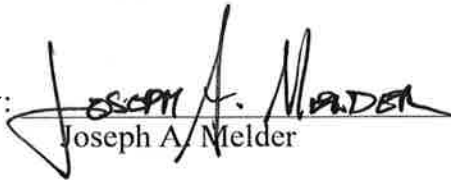
[SIGNATURES ON FOLLOWING PAGE]

Date: August \_\_\_\_\_, 2021.

**THE MAYOR AND ALDERMEN OF THE  
CITY OF SAVANNAH**

By: \_\_\_\_\_  
Mayor Van R. Johnson, II

Date: August 6, 2021.

By:  \_\_\_\_\_  
Joseph A. Melder