

EM SUBMISSION NO.: EMA0072015

PRESENTED: 1-16-15

ADOPTED: 1-20-15

BY THE EMERGENCY MANAGER:

**RESOLUTION APPROVING THE EMPLOYMENT OF
NATASHA L. HENDERSON AS CITY ADMINISTRATOR
AND SETTING COMPENSATION LEVEL**

Pursuant to the authority granted the Emergency Manager by Public Act 436, and following a professional selection process, the City of Flint wishes to employ the services of Natasha L. Henderson as City Administrator, pursuant to the terms and conditions contained within the City Administrator Employment Agreement attached hereto and made a part hereof; and

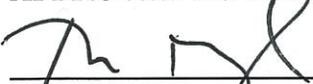
Ms. Henderson shall serve the City at the direction of the Emergency Manager, Mayor and City Council, as set forth by applicable law and ordinance; and

Ms. Henderson's appointment shall be for a term of five (5) years, commencing February 23, 2015, and shall continue up to and including February 22, 2020; and

Ms. Henderson shall be compensated at an annual rate of \$140,000.00, paid in biweekly installments consistent with established written policies and procedures of the City of Flint relative to salary and benefits. Compensation shall be drawn from appropriated funds from line item 101-172.100-702.000, Salary and Wages.

IT IS RESOLVED, that the Emergency Manager shall, on behalf of the City of Flint, employ Natasha L. Henderson under the terms and conditions stated above, and contained in the City Administrator Employment Agreement attached hereto and made a part hereof. Annual compensation of \$140,000.00 shall be drawn from appropriated funds from line item 101-172.100-702.000, Salary and Wages.

APPROVED AS TO FORM:



Peter M. Bade, City Attorney

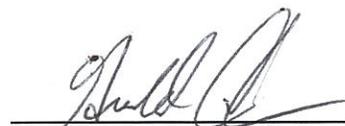
APPROVED AS TO FINANCE:



Dawn Steele, Deputy Finance Director

EM DISPOSITION:

ENACT X REFER TO COUNCIL _____ FAIL _____



Gerald Ambrose, Emergency Manager

DATED: 1/20/15

CITY ADMINISTRATOR EMPLOYMENT AGREEMENT

This agreement (hereinafter "Agreement") is to set forth the terms and conditions of employment of the City Administrator, and is entered into between the City of Flint, a municipal corporation (hereinafter "City") and Natasha L. Henderson (hereinafter "City Administrator"); collectively referred to as the "Parties".

WHEREAS, the City is empowered through statutory authority conferred by the Home Rule Cities Act, MCL 117.1, *et seq.*, and the Local Financial Stability and Choice Act, MCL 141.1541, *et seq.*, and Flint City Charter §4-201, to appoint and retain a City Administrator, and hereby appoints the City Administrator for the effective and efficient operation of the City; and

WHEREAS, the City Administrator has agreed to accept employment as the City Administrator, subject to the terms, conditions and provisions of this Agreement.

THEREFORE, in consideration of the mutual covenants contained herein, the consideration of which is hereby stipulated to, the Parties agree as follows:

I. TERM

1.1 The City Administrator's appointment shall be for a term of five (5) years, commencing on FEBRUARY 23, 2015 (the "Commencement Date") and shall continue up to and including FEBRUARY 22, 2020.

II. EMPLOYMENT

2.1 **DUTIES.** The City Administrator shall serve the City at the direction of the Emergency Manager, Mayor, and City Council, as set forth by applicable law and ordinance (the "City Administrator's Duties").

The City Administrator shall perform the City Administrator's Duties with reasonable care, diligence, skill and expertise.

2.2 **CITY COUNCIL MEETINGS.** Except to the extent prohibited by or in material conflict with applicable laws and authorities, the City Administrator shall attend, and shall be permitted to attend, all meetings of the City Council, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on, or pursuant to, this Agreement, or any amendment thereto, or the City Administrator's evaluation.

2.3 **CRITICISMS, COMPLAINTS, AND SUGGESTIONS.** The City Council, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the City Council's attention to the City Administrator for study and/or appropriate action, and the City Administrator shall refer the matter(s) to the appropriate City employee or shall investigate such matter(s) and inform the City Council of the



results of such efforts.

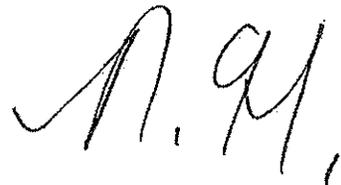
2.4 INDEMNIFICATION. To the extent it may be permitted to do by applicable law, the City does hereby agree to defend, hold harmless, and indemnify the City Administrator from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against the City Administrator in the City Administrator's individual or official capacity as an employee and as City Administrator, providing the incident(s), which is (are) the basis of any demand, claim, suits, actions, judgments, expenses and attorneys' fees, arose or does arise in the future from an act or omission of the City Administrator, as an employee of the City, acting within the course and scope of the City Administrator's employment with the City; excluding, however, any demand, claim, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where the City Administrator committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the City or by the City Administrator. The provisions of this Paragraph 2.4 shall survive the termination, expiration or other end of this Agreement and/or the City Administrator's employment with the City.

2.5 APPROPRIATION. The City has appropriated, set aside and encumbered, and does hereby appropriate, set aside, and encumber, available and otherwise unappropriated funds of the City in an amount sufficient to fund and pay all financial obligations of the City pursuant to this Agreement.

2.6 HOURS OF WORK. The City Administrator acknowledges the proper performance of the City Administrator's Duties require the City Administrator to generally observe normal business hours and will also often require the performance of necessary services outside of normal business hours. The City Administrator agrees to devote additional time as is necessary for the full and proper performance of the City Administrator's Duties and that the compensation herein provided includes compensation for the performance of all services. However, the City intends that reasonable time off be permitted the City Administrator, as is customary for exempt employees, so long as the time off does not interfere with the normal conduct of the office of the City Administrator. The City Administrator will devote full time and effort to the performance of the City Administrator's Duties, and shall remain in the exclusive employ of the City during the term of this Agreement.

III. COMPENSATION

3.1 SALARY. The City shall provide the City Administrator with an annual salary in the sum of One Hundred Forty Thousand Dollars (\$140,000.00). This annual salary rate shall be paid to the City Administrator in equal installments on the schedule of Mayoral appointees and shall be paid net of any applicable withholding or deductions required by the law. Based upon the annual Performance Evaluation set forth in Paragraph 5.1, the City Administrator's salary may be increased up to five percent (5%) annually, in the discretion of the City, and with consent

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of any other necessary parties, including but not limited to the Receivership Transition Advisory Board.

3.2 PAID LEAVES – PAID TIME OFF (PTO) AND HOLIDAY. The City Administrator may take, at the City Administrator's choice, the same number of hours of PTO authorized for non-represented employees of the City, the PTO to be in a single period or at different times. The PTO taken by the City Administrator will be taken at such time or times as will least interfere with the performance of the City Administrator's Duties. The City Administrator shall observe the same legal holidays as provided by the City for its non-represented appointees. For purposes of this subsection, the City shall recognize City Administrator's time accrued in former similar positions.

3.3 BENEFITS - GENERAL. Unless expressly provided otherwise in this Agreement, in addition to those benefits specifically set forth herein, the City Administrator shall be entitled to the same benefits that are enjoyed by other non-represented employees of the City, as may change from time to time.

3.4 INSURANCE - HEALTH. The City agrees to pay the premiums for health, hospitalization, vision, dental and comprehensive medical insurance for the City Administrator at the same levels provided to other non-represented employees of the City, as may change from time to time, as currently set forth in Emergency Manager Order No. 24.

3.5 LIFE INSURANCE. The City shall provide the City Administrator with life insurance in an amount equal to one (1) year of salary as adjusted pursuant to the Agreement.

3.6 DEFINED CONTRIBUTION PROGRAM. The City Administrator shall be entitled to participate in the City of Flint Defined Contribution Plan as set forth in Flint City Code §35-1, which currently requires a four percent (4%) employee contribution to obtain an eleven percent (11%) contribution from the City; however, the City Administrator shall be exempt from any vesting requirements of that program. The City Administrator is expressly excluded from participation in any City defined-benefit retirement programs.

3.7 AUTOMOBILE ALLOWANCE: The City shall pay to the City Administrator a car allowance of Five Hundred Fifty Dollars (\$550.00) per month. City Administrator shall maintain liability, property damage, and comprehensive insurance coverage for the operation, use, and maintenance of said automobile, at the cost of the City Administrator.

3.8 COMMUNICATION ALLOWANCE: The City shall pay to the City Administrator a communication allowance of One Hundred Twenty-Five Dollars (\$125.00) per month.

3.9 RELOCATION EXPENSES: The City shall reimburse the City Administrator for relocation expenses in an amount not to exceed two thousand five hundred dollars (\$2,500). Payment shall be based upon invoices and receipts submitted to the City for services including

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movement of normal and reasonable household goods, and hotel expenses associated with a maximum of two house-hunting trips.

3.10 **EXPENSES.** The City shall pay or reimburse the City Administrator for reasonable expenses incurred by the City Administrator in the continuing performance of the City Administrator's duties under this Agreement. The City agrees to pay the actual costs incurred by the City Administrator for travel. Such actual costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the City. The City Administrator shall comply with all procedures and documentation requirements.

3.11 **CIVIC ACTIVITIES.** The City Administrator is encouraged to participate in community and civic organizations and activities.

IV. PROFESSIONAL GROWTH

4.1 **PROFESSIONAL DUES AND SUBSCRIPTIONS.** The City agrees to budget for and to pay for reasonable professional dues and subscriptions of the City Administrator necessary for continuation and full participation in national, state, regional, and local associations and organizations as necessary and/or desirable for the good of the City through the City Administrator's continued professional participation, growth and advancement.

V. PERFORMANCE EVALUATION

5.1 **EVALUATION PROCESS.** The City shall review the City Administrator's job performance at least once annually, unless the Parties agree otherwise. The annual performance reviews and evaluations shall be in writing and in accordance with criteria and format developed jointly by the City and the City Administrator. The City shall provide the City Administrator a reasonable and adequate opportunity to discuss with the City Council and/or respond to the City Administrator's evaluation.

VI. TERMINATION

6.1 A. The City may terminate, without cause, this Agreement (and the resultant employment relationship) with the City Administrator before the expiration set forth herein, by mutual agreement of the Emergency Manager, or Mayor, and City Council. If there is no longer an Emergency Manager appointed, this Agreement may be terminated by mutual agreement of the Mayor and City Council, with the approval of the Receivership Transition Advisory Board. In the event that this Agreement is terminated pursuant to this subsection [6.1(A)] of the Agreement, the City Administrator shall be entitled to a lump sum payment equivalent to six (6) months' salary as set forth herein, as well as accrued PTO.

B. The City may terminate, for Good Cause, this Agreement (and the resultant employment relationship) with the City Administrator before the expiration set forth herein, by mutual agreement of the Emergency Manager and City Council. If there is no longer an Emergency Manager appointed this Agreement (and the resultant employment relationship) may

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be terminated by mutual agreement of the Mayor and City Council for Good Cause, with the approval of the Receivership Transition Advisory Board. In the event that this Agreement is terminated pursuant to this subsection [6.1(B)] of the Agreement, the City Administrator shall be entitled to accrued PTO.

C. The City Administrator may voluntarily terminate this Agreement before the expiration of the term set forth herein by providing thirty (30) days advanced written notice, unless agreed upon otherwise by the Parties. In the event that this Agreement is terminated pursuant to this subsection [6.1(C)] of the Agreement, the City Administrator shall be entitled to accrued PTO.

6.2 "GOOD CAUSE". For purposes of this Agreement the term "good cause" is defined as sole proven acts or omissions as follows:

A. Any willful, knowing, grossly negligent, or negligent breach, disregard or habitual neglect of any provision of this Agreement, or any willful, knowing, grossly negligent, or negligent breach, disregard or habitual neglect of any duty or obligation required to be performed by the City Administrator under this Agreement or applicable law.

B. Any misconduct of the City Administrator involving an act of moral turpitude, criminal illegality (excepting minor traffic violations), or habitual violations of the traffic laws, whether or not related to the City Administrator's official duties hereunder.

C. Any willful, knowing, grossly negligent, or negligent misapplication or misuse, direct or indirect, by the City Administrator, of public or other funds or other property, real, personal, or mixed, owned by or entrusted to the City, any agency or corporation thereof, or the City Administrator in their official capacity.

VII. GENERAL PROVISIONS

7.1 **COMPLETE AGREEMENT.** This Agreement sets forth and establishes the entire understanding between the City and the City Administrator relating to the employment of the City Administrator by the City. Any prior discussions or representations by or between the Parties are merged into and rendered null and void by this Agreement. The Parties by mutual written signed agreement may amend any provision of this Agreement during the term of this Agreement; such amendments shall be incorporated and made a part of this Agreement.

7.2 **BINDING EFFECT.** This Agreement shall be binding on the City and the City Administrator as well as their heirs, assigns, executors, personal representatives and successors in interest.

7.3 **SAVINGS CLAUSE.** If any term or provision of this Agreement, as applied to any party or to any circumstance, is declared by a court of competent jurisdiction hereof to be illegal, unenforceable or void in any situation and in any jurisdiction, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending provision in any other situation or in any other jurisdiction. The

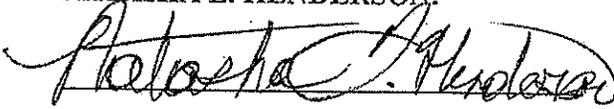
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Parties agree that the court or arbitrator making such determination shall have the power to reduce the scope, duration, area or applicability of the term or provision, to delete specific words or phrases or to replace any illegal, unenforceable or void term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

7.4 **CONTROLLING LAW.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Michigan and jurisdiction shall rest in a court of competent jurisdiction within Genesee County, Michigan.

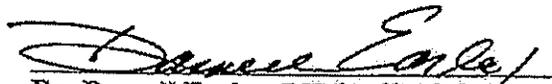
WHEREFORE, the Parties have executed this Agreement by affixing their signatures below:

NATASHA L. HENDERSON:



Date: 12-19-2014

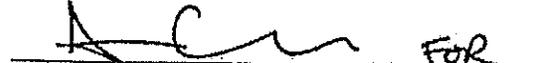
CITY OF FLINT:



By: Darnell Earley, ICMA-CM, MP
Its: Emergency Manager

Date: 12-18-14

APPROVED AS TO FORM:

 FOR
Peter M. Bade, Chief Legal Officer

