

EMPLOYMENT AGREEMENT

This agreement is made this _____ day of _____, 2015, at the City of San Luis, County of Yuma, State of Arizona, between The City of San Luis, Arizona, ("City"), a municipal corporation of the State of Arizona, 1090 E. Union Street., San Luis, Arizona, and Kay Macuil, referred to in this agreement as "City Attorney."

SECTION I

TERM AND NATURE OF EMPLOYMENT

The City Attorney enters into the employment of the employer as the City Attorney of the City of San Luis, Arizona beginning on the 16th day of October, 2015 and shall continue to serve at the pleasure of the City Council of the City of San Luis.

SECTION II

DEVOTION OF FULL TIME TO BUSINESS

The City Attorney shall devote the whole of her time, attention, and energies to the performance of her duties as the City Attorney of the City of San Luis, Arizona.

SECTION III

DUTIES

The City Attorney shall represent the City in its legal affairs and provide legal advice and counsel to the City of San Luis. She shall supervise all other attorneys working for or otherwise representing the City of San Luis in its legal affairs, subject to the direction and control of the City Council of the City of San Luis, and perform the duties of the office of City Attorney as set forth in the ordinances and Code of the City of San Luis, Arizona as well as the functions and duties specified in the applicable Arizona Statutes. The City Attorney shall serve the City diligently and according to her best professional and personal abilities in all respects, and generally do all things for the best interests of the City that is usually done by persons occupying her position as the chief legal officer of a political subdivision.

SECTION IV

RATE OF COMPENSATION

A. The salary of the City Attorney shall be an annual base salary of \$105,000.00 payable biweekly effective October 16, 2015.

B. The salary of the City Attorney shall be adjusted to the annual base salary of \$115,000.00 payable biweekly beginning October 16, 2016, and shall be increased to the annual base salary of

\$125,000.00 payable biweekly beginning October 16, 2017.

C. During the term of this agreement, the City Attorney shall accrue vacation time and shall accrue sick time at the rate as provided for employees of the City in accordance with the Personnel Policies of the City of San Luis. Any accrued vacation and sick time City Attorney earned prior to October 16, 2015 shall be credited and carried over into this agreement.

D. The Council may review, evaluate, and complete the evaluation of the performance of the City Attorney from time to time during the term of this agreement. The structure and timing of such review and evaluation, as well as any adjustment in base salary or other compensation, other than as provided above, shall be in the sole discretion of the City Council.

E. The Council agrees to budget and pay for the professional dues and subscriptions of the City Attorney as the Council deems necessary for her continuation and participation in national, regional, state and local associations and organizations necessary for her continued professional participation, growth and advancement, and for the good of the City. The Council agrees to budget and to pay for the travel and subsistence expenses of City Attorney to annually attend the National Conference of the International Municipal Lawyers Association and other short courses, institutes, seminars, and conferences as the Council deems appropriate and that is necessary for her professional development and for the good of the City.

F. Unless otherwise stated herein, City Attorney shall be entitled to all other employment benefits provided for employees of the City which are not specifically mentioned herein, including, but not limited to health insurance and participation in an employee retirement system and, beginning after June 30, 2018, any cost of living adjustments made to employee's compensation.

G. It is recognized by the Council that City Attorney must devote the time necessary to her duties involving both normal office hours and time outside these hours. The taking of personal time off should be in line with this premise, and rests in the discretion of City Attorney.

SECTION V

TERMINATION OF EMPLOYMENT

A. The City Council may terminate this agreement at any time upon the giving of at least thirty (30) days written notice to City Attorney, unless the parties otherwise agree.

B. City Attorney may resign from her employment at any time upon the giving of at least thirty (30) days written notice to the Mayor and Council, unless the parties otherwise agree.

C. Upon termination, in addition to any other rights to compensation or benefits to which City Attorney may have under this agreement or law, City Attorney shall be paid her accumulated vacation and sick time based upon the rate of salary as of the date of termination.

D. Upon termination by the City, in addition to subsections A through C above, City

Attorney shall be entitled to severance pay equal to three months of salary, with an additional month of salary for every year of service, said amount to be capped at and not to exceed a total of six months of salary, based upon the rate of salary as of the date of termination. In the event City Attorney is terminated because of a conviction relating to any felony or loss of license to practice law in the State of Arizona, Council shall have no obligation to make any extra payment pursuant to this subsection except for City Attorney's accrued salary, vacation, and sick leave as provided in subsection C above. City Council reserves the right to suspend any severance pay payment pursuant to this subsection during any proceedings while felony charges are pending or which would result in the loss of a license to practice law in the State of Arizona.

SECTION VI

CONTRACT TERMS TO BE EXCLUSIVE

This written agreement contains the sole and entire agreement between the parties and shall supersede any and all other agreements between the parties. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this agreement nor any representations inducing its execution and delivery except such representations as are specifically set forth in this writing and the parties acknowledge that they have relied on their own judgment in entering into the same. The parties further acknowledge that any statements or representations that may have been made by either of them to the other are void and of no effect and that neither of them has relied on such statements or representations in connection with its dealings with the other.

SECTION VII

WAIVER OR MODIFICATION INEFFECTIVE

UNLESS IN WRITING

It is agreed that no waiver or modification of this agreement or of any covenant, condition, or limitation contained in it shall be valid unless it is in writing and duly executed by the party to be charged with it, and that no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this agreement, or the rights or obligations of any party under it, unless such waiver or modification is in writing, duly executed as above. The parties agree that the provisions of this paragraph may not be waived except by a duly executed writing.

SECTION VIII

CONTRACT GOVERNED BY LAW OF

STATE OF ARIZONA

A. The parties agree that it is their intention and covenant that this agreement and performance under it and all suits and special proceedings relating to it be construed in

accordance with and under and pursuant to the laws of the State of Arizona and that in any action, special proceeding, or other proceeding that may be brought arising out of, in connection with, or by reason of this agreement, the laws of the State of Arizona shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

B. In the event that the City adopts as a policy a program of settling employment claims or suits by binding arbitration, and adopts a form of agreement for new employees to sign during the course of this agreement, City Attorney agrees to sign said agreement and be bound by the same.

C. This agreement shall be subject to the cancellation provisions of ARS §38-511.

In witness whereof, the City of San Luis, Arizona has caused this agreement to be signed and executed on its behalf by its Mayor and duly attested to by its Deputy Clerk, and Kay Macuil, City Attorney, has signed and executed this agreement at 1090 E. Union Street, San Luis, Arizona on the _____ day of _____ 2015.

Kay Macuil, City Attorney

Gerardo Sanchez, Mayor

Attest:

Sonia Cornelio, Clerk

Approved as to form:

Special Counsel