

EMPLOYMENT AGREEMENT

This agreement is made this ___ day of _____, 2017 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 Union Street, San Luis, Arizona, and Craig Higgins, referred to in this agreement as "Police Chief."

SECTION I TERM AND NATURE OF EMPLOYMENT

The Police Chief began employment of the City as the Police Chief of the City of San Luis, Arizona in February 2016. He serves at the pleasure of the City Manager subject to the provisions of the City Code of the City of San Luis.

SECTION II DEVOTION OF FULL TIME TO BUSINESS

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

SECTION III DUTIES

The Police Chief shall perform the duties of Police Chief as set forth in the ordinances, codes, rules, and regulations of the City of San Luis and the applicable statutes and laws of the State of Arizona and shall perform such other duties as may be assigned or directed by the City Manager of the City of San Luis. Police Chief, while a contract employee, shall be a department head subject to the management and direction of the City Manager as any other department head of the City of San Luis. The Police Chief shall serve the City diligently and according to his 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 his position as the Police Chief of a political subdivision. Police Chief must obtain proper certification as a certified peace officer in good standing with the State of Arizona with the Arizona Police Officer Standards and Training Board (AZPOST) by May 31, 2017.

SECTION IV RATE OF COMPENSATION; OTHER TERMS AND CONDITIONS

A. The salary of the Police Chief shall be an annual base salary of \$100,000.00 payable biweekly effective as of February 2016. The Police Chief shall be entitled to accrue vacation and sick time as all other city employees.

B. Police Chief is required to become a certified peace officer certified by the Arizona Peace Officer Standards and Training Board by May 31, 2017. Upon achieving the status of a certified officer in the State of Arizona, the annual base salary as stated in subparagraph A above shall increase to the sum of \$102,500.00 payable bi-weekly.

C. The City Manager and the City Council shall review the performance of the Police Chief between six and nine months from the date of this agreement, at which point the Police Chief

may be eligible for an increase of \$2,500.00 to his base salary, based on merit, as determined by the Council.

D. In addition to the review stated hereinabove, the City Manager and City Council may review, evaluate, and complete the evaluation of the performance of the Police Chief from time to time during the term of this agreement. The structure and timing of such review and evaluation, as well as any further adjustment in base salary or other compensation, shall be in the sole discretion of the Manager and City Council. The Manager and City Council shall not at any time during this contract reduce the salary, compensation, or other benefits for Police Chief without the mutual consent of Police Chief.

E. The City shall provide a police vehicle for use by the Police Chief and pay for all attendant operating and maintenance expenses and insurance. Said vehicle is to be used by the Police Chief in connection with the performance of his duties as Chief, including professional growth and development. Said vehicle may not be used to commute to or from a residence not located within 25 minutes response time from the Police Department of the City of San Luis.

F. The Council agrees to budget and pay for the professional dues and subscriptions of the Police Chief as the Council deems necessary for his continuation and participation in national, regional, state and local associations and organizations necessary for his continued professional participation, growth and advancement, and for the good of the City.

G. Unless otherwise stated herein, Police Chief 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 any cost of living adjustments made to employee compensation.

H. It is recognized by the Manager and Council that Police Chief must devote the time necessary to his 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 Police Chief under the supervision of the City Manager.

I. Indemnification. The City agrees to defend, save harmless and indemnify Police Chief against any tort, professional liability claim or demand, or other civil legal action, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of his duties as Police Chief for the City, even if said claim has been made following his termination from employment, provided that the Police Chief acted within the scope of his duties. The City may compromise and settle any such claim or suit and will pay the amount of any settlement or litigation costs, incidental expenses, and judgments rendered thereon without recourse to the Police Chief.

SECTION V TERMINATION OF EMPLOYMENT

A. The Manager and City Council may terminate this agreement at any time upon the giving of at least thirty (30) days' written notice to Police Chief, unless the parties otherwise agree. If Police Chief is not able to obtain AZPOST certification by May 31, 2017, Police Chief's employment shall terminate effective on June 1, 2017, and no further notice shall be necessary. In such event, Police Chief shall not be entitled to any severance amount as set forth in subsection D.

B. Police Chief may resign from his 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 Police Chief may have under this agreement or law, Police Chief shall be paid his accumulated vacation 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, and except as noted in subsection A, Police Chief shall be entitled to severance pay equal to three months of salary based upon the rate of salary as of the date of termination. In the event Police Chief is terminated because of a conviction relating to any felony or loss of certification as a peace officer by Arizona Peace Officer Standards and Training, Council shall have no obligation to make any extra payment pursuant to this subsection except for Police Chief's accrued salary, and vacation 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 certification as a peace officer 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, Police Chief 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 City Manager and duly attested to by its Clerk, and Police Chief, has signed and executed this agreement on the day and year referred to above.

Craig Higgins, Police Chief

City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

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