

City of Ironwood  
213 S. Marquette St.  
Ironwood, MI 49938



**IRONWOOD**  
MICHIGAN | *Find Your North*

Phone: (906) 932-5050  
Fax: (906) 932-5745  
[www.cityofironwood.org](http://www.cityofironwood.org)

### SPECIAL MEETING NOTICE

A Special Meeting of the Ironwood City Commission will be held on Thursday, **October 6, 2022 at 5:00 P.M.** in the 2<sup>nd</sup> Floor City Commission Chambers, Memorial Building, 213 S. Marquette Street, Ironwood, MI 49938.

The purpose of the special meeting is to discuss and consider employment agreement with Paul Anderson for the position of City Manager.

Wendy L. Hagstrom  
City Clerk

#### **ZOOM OPTION AVAILABLE FOR THE PUBLIC**

**(Please visit the City website at [www.ironwoodmi.gov](http://www.ironwoodmi.gov) or the notice posted at the Memorial Building for Zoom Webinar login instructions.)**

### AGENDA

1. Special Meeting Called to Order.  
Pledge of Allegiance of the United States of America.  
Recording of the Roll.
2. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit)
3. Discuss and consider approval of employment agreement with Paul Anderson for the position of City Manager.
4. Adjournment



This Institution is an Equal Opportunity Provider, Employer and Housing Employer/Lender



**CITY OF IRONWOOD**

**CITY MANAGER’S EMPLOYMENT AGREEMENT**

This Agreement made, by and between the City of Ironwood, a municipal corporation organized and existing under the laws of the State of Michigan, acting through the Ironwood City Commission, herein referred to in this Agreement as “City” and Paul Anderson, referred to in this Agreement as “Manager.”

**RECITALS**

Manager is willing to be employed by City and City is willing to employ Manager on the terms, covenants, and conditions set forth in this Agreement.

In consideration of the matter described above, and of the mutual benefits and obligations set forth in this Agreement, the parties agree as follows:

**SECTION 1: EMPLOYMENT**

City employs, engages and hires Manager as the Ironwood City Manager to carry out the functions and the duties of the City Manager, including but not limited to, those specified in and governed by the Ironwood City Charter, Ironwood Code of Ordinances, City Manager job description as may be periodically amended by the City Commission, and other tasks and responsibilities as may be assigned by the Ironwood City Commission including performing the duties of City Engineer. Manager accepts and agrees to such hiring, engagement and employment, subject to the general supervision and pursuant to the orders, advice and direction of City.

**SECTION 2: TERM OF EMPLOYMENT**

This Agreement shall be for a period commencing on October 31, 2022 and terminating June 30, 2027, subject to prior termination as provided in this Agreement. At the expiration date of June 30, 2027, unless governed by the City Charter, ordinances, laws and/or other agreements, this Agreement shall be considered renewed for regular periods of two (2) years, provided neither party submits a notice of termination or non-renewal. A notice of non-renewal shall be sent to either party at least one hundred twenty (120) days before the yearly expiration date of June 30.

**SECTION 3: COMPENSATION OF MANAGER**

City shall pay Manager, and Manager shall accept from City, in full payment for Manager’s services under this Agreement, compensation for the annual salary of Ninety-Seven Thousand Five Hundred Dollars and (\$97,500.00) payable in twenty-six (26) bi-weekly installments.

The City Commission will provide the Manager with an annual job performance evaluation prior to the end of the fiscal year. If the Manager’s annual job performance evaluation is determined to be at least satisfactory, the City Commission shall determine if a salary adjustment will be made.

Unless the Manager expressly requests otherwise in writing, the annual performance evaluation shall at all times be conducted in a closed session of the City Commission, pursuant to Section 8(a) of Michigan's Open Meetings Act (MCL 15.268) and the evaluation report shall be maintained as part of the minutes of the closed session and shall not be publicly disseminated, except as permitted by the Open Meetings Act. In the event that the Manager requests the evaluation be conducted in an open session of the City Commission, the evaluation report shall be subject to production pursuant to Michigan's Freedom of Information Act and as otherwise required by law. Nothing herein shall prohibit the City Commission or Manager from sharing the content of the Manager's evaluation with their respective legal counsel.

#### SECTION 4: INSURANCE

City will provide hospital, medical dental, and vision insurance in the same manner as for other non-union City employees. City will also provide a \$20,000.00 group, term life insurance policy with accidental death and dismemberment coverage.

#### SECTION 5: CITY VEHICLE

A City vehicle for daily use of City business will be available to the Manager.

#### SECTION 6: CITY CELL PHONE

A City phone will be provided to the Manager to use for both business and personal use.

#### SECTION 7: TRAVEL EXPENSE

Reasonable and necessary professional travel and related expense while in the course of Manager's duties representing the City and in City related activities will be allowed. These expenses shall be in accordance with the City's policies in existence with respect to said activities. At the discretion and prior approval of the City, Manager shall be reimbursed for attendance at appropriate conferences and seminars to include, but not limited to, Michigan Municipal League conferences, Michigan Executive Association Meetings, U.P. City Manager meetings, one national conference for either city managers or city engineers/public works, and state conferences as appropriate. All related expenses will be reimbursed (i.e. travel, lodging, registration, meals, group activities, etc.).

#### SECTION 8: SICK LEAVE

Manager shall be credited with four (4) hours of sick leave per bi-weekly pay period for absence due to personal illness or injury. Manager may annually "sell back" up to five eight-hour days of sick leave for a total of forty (40) hours of sick leave at the Manager's current rate of pay, which shall be deducted from the Manager's accumulated sick leave. Sick leave may be accumulated from year to year for a total of 1040 hours; however, upon termination of employment, any accumulated sick leave shall not be eligible for a cash buyout or other compensation.

## SECTION 9: VACATION

Manager shall receive five (5) weeks of vacation effective immediately. Vacation shall be used the year it is earned and shall not be exchanged for a monetary amount or accumulated. Vacation will renew annually on the Employee's anniversary date.

If during the first year of employment, Manager terminates employment with City, the vacation benefit shall be prorated based on the number of days employed during the year. If vacation benefits were paid to Manager in excess of the prorated benefit, Manager agrees to reimburse City for said benefit.

## SECTION 10: PERSONAL LEAVE AND HOLIDAYS

The City understands that the duties of the Manager require a great deal of time outside of normal business hours, and for that reason, the Manager may take reasonable compensatory time off during normal business hours, so long as, the taking of compensatory time does not unduly interfere with the performance of duties.

The Manager shall have the same holiday leave as other non-union City employees. Holidays include: New Year's Day, Good Friday, Memorial Day, Juneteenth, July 4<sup>th</sup>, Labor Day, Thanksgiving, Day after Thanksgiving, Christmas Eve, Christmas Day, New Year's Eve.

## SECTION 11: RETIREMENT

Retirement shall be as provided for under Municipal Employees' Retirement System (MERS) Defined Benefit Pension. Employee shall follow the benefit provisions for division 15, the current open division available to new hires. The general provisions of this division include a benefit multiplier of 2.0%, vesting period of 10 years, final average compensation period: average of 5 highest consecutive years of compensation, and a member contribution of 6%.

## SECTION 12: TERMINATION

This Agreement may only be terminated for just cause or mutual agreement. However, the City may terminate this Agreement and Manager's employment without just cause and if the City does so, then the Manager will only be entitled to a severance equivalent to six (6) months' pay at his current rate of salary at the time of said termination. Additionally, in the event of resignation or termination, the City shall pay the Manager one hundred (100%) percent of earned and unused vacation days.

## SECTION 13: INDEMNITY

The City will defend and indemnify the Manager to the extent allowed by law. The City shall defend, indemnify, and hold harmless Manager against any and all civil claims, demands, suits, actions, or proceedings of any kind or nature arising out of performance by Manager of his official duties and responsibilities as City Manager. This indemnification shall not apply to any criminal proceedings, which may be filed against the Manager.

The City shall furnish and provide Manager with insurance protection including comprehensive general liability and errors and omissions coverage applicable to all acts or omissions of Manager arising out of his employment including his engineering duties.

#### SECTION 14: MISCELLANEOUS REIMBURSEMENT

Subject to prior City Commission approval, the Employer shall pay for Manager's Professional Engineer licensure for Michigan and Wisconsin and membership to appropriate associations and organizations.

#### SECTION 15: PERIODIC STATUS MEETING

During the Manager's term of employment, the Commission and the Manager shall have team building sessions on a quarterly basis.

#### SECTION 16: EFFECT OF PARTIAL INVALIDITY

The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

#### SECTION 17: CHOICE OF LAW

It is the intention of the parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and under and pursuant to the laws of the State of Michigan and that, in any actions, special proceedings or other proceedings that may be brought or arising out of, in connection with, or by reason of disagreement, the laws of the State of Michigan 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.

#### SECTION 18: NO WAIVER

The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement shall not be construed as thereafter waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

SECTION 19: PARAGRAPH HEADINGS

The titles to the paragraphs of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

In witness of the above, each party to this Agreement has caused it to be executed on the date indicated below.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Paul Anderson

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kim S. Corcoran, Mayor

Dated: \_\_\_\_\_

\_\_\_\_\_  
Wendy L. Hagstrom, City Clerk

Approved as to form:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Timothy Dean, City Attorney