

EMPLOYMENT AGREEMENT

This Employment Agreement is made effective as of January 28, 2012 by and between the CITY OF JUNCTION CITY, KANSAS, a Kansas municipal corporation ("City") and GERRY A. VERNON ("Employee").

WITNESSETH:

WHEREAS, City desires to continue to employ the services of Employee as City Manager of the City; and

WHEREAS, it is the desire of the governing body, hereafter called "the City Commission," to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee;

WHEREAS, it is the desire of the City Commission (1) to provide inducement for Employee to remain in such employment, (2) to provide for future security in case Employee is terminated without cause, and (3) to provide a procedure for terminating Employee's services when City may desire to terminate his employment;

WHEREAS, Employee desires to accept employment as City Manager of the City of Junction City.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1. Duties. City hereby employs Employee to perform the functions and duties specified in the ordinances, policies and resolution of the City and the statutes of the State of Kansas and other proper duties and functions as the City Commission may, from time to time, assign, or the efficient management of the City shall require.

Section 2. Compensation.

a. For the calendar year 2012 City agrees to pay Employee an annual salary of \$86,000.00. Annual salary shall be payable in installments in accordance with City's standard payroll procedures

b. During the 2013 budget process, City agrees to consider a budget item to increase Employee's annual salary to \$100,000.00 for the calendar year 2013.

c. Cost of living increases to the annual base salary shall be provided to Employee annually at a rate not less than the rate provided to other administrative city employees at the same time as awarded to such employees. In addition, the City Commission, may, at its sole discretion, grant additional benefits or compensation for performance excellence, or meritorious service.

Section 3. Employment Term.

a. This Agreement shall remain in full force and effect from the date of its execution until terminated by one or both of the parties in accordance with the provisions hereof.

b. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the City to terminate the services of the Employee at any time, at the sole discretion of City, with or without cause, subject to the provisions for severance payments set forth in Section 4 of this agreement.

c. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time. Employee shall not be entitled to any severance payments set forth in Sections 4 of this agreement if Employee resigns.

d. Employee agrees to remain in the exclusive employ of the City during the Employment Term.

Section 4. Termination Without Cause/Severance.

a. The Employee's employment may be terminated at any time by the City, at the City's discretion, without cause.

b. If the Employee's employment is terminated without cause, the City shall provide a severance payment equal to 12 months' salary at the current rate of pay. Unused vacation, sick and personal leave shall be paid in accordance with the City's policies in effect at the time of termination.

Section 5. Termination With Cause.

a. The City may immediately terminate the Employee's employment for cause, which shall include but not be limited to, any one or more of the following:

i. Employee's conviction of or a guilty plea to any act of fraud, misrepresentation or a felony or a crime involving moral turpitude, or commission of any other criminal act other than minor traffic offenses which do not reflect adversely on the City and which do not interfere with the performance of employment duties hereunder;

ii. Employee's embezzlement, misappropriation or commission of any other fraudulent act against the City;

iii. Employee's breach of the terms of this Agreement and such breach is not corrected within thirty (30) days after Employee's receipt of a written notice which identifies the manner in which City believes Employee is breaching this Agreement;

iv. Employee's commission of any other specific action causing material harm to City, its reputation or its business;

v. A determination by City that Employee is not properly performing his duties and such failure is not corrected within thirty (30) days after Employee's receipt of a written notice which identifies the manner in which the City believes Employee is not properly performing his duties under this Agreement; or

vi. Any failure or refusal to perform duties stated in the ordinances or lawful policies of the City, or to comply with lawful and reasonable directives of the City, and such failure is not corrected within thirty (30) days after Employee's receipt of a written notice which identifies the manner in which the City believes Employee is not properly performing his duties under this Agreement.

b. Employee shall not be entitled to any severance pay upon termination of this Agreement for cause. Unused vacation, sick and personal leave shall be paid in accordance with the City's policies in effect at the time of termination.

Section 6. Health, Dental, Disability and Life Insurance Benefits. The City agrees to provide Employee with the same health, dental, life insurance, disability and other fringe benefits provided generally to all other employees of the City of Junction City and the contribute the same to the premiums therefor as generally contributed by the City for other employees of the City.

Section 7. Vacation, Sick and Personal Leave. Vacation time and sick and personal leave shall be accrued and credited to Employee's personal account at the same rate as other full time employees in accordance with City's standard vacation, sick and personal leave policies.

Section 8. Monthly Vehicle Allowance. The City 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 \$7,200.00 per year, payable in equal monthly installments, 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 9. Retirement

a. The City agrees to enroll the Employee into the applicable state retirement system (KPERs) and to pay the City's amount of the contribution required of the employer with respect to Employee.

EMPLOYEE: Gerry A. Vernon
939 Kadence Lane
Junction City, KS 66441

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 14. General Provisions.

a. *Integration.* This Agreement sets forth and establishes the entire understanding between the City and the Employee relating to the employment of the Employee 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 agreement may amend any provision of this agreement during the life of the agreement. Such amendments shall be incorporated and made a part of this agreement.

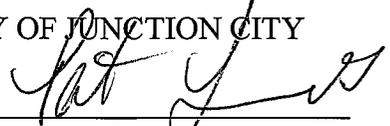
b. *Binding Effect.* This Agreement shall be binding on the City and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

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

d. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and said counterparts shall constitute but one and the same instrument.

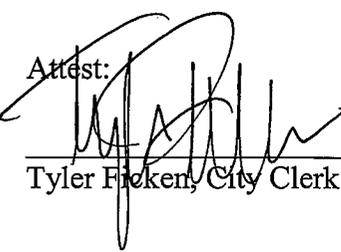
IN WITNESS WHEREOF, this Agreement has been executed by the parties effective as of January 28, 2012.

CITY OF JUNCTION CITY

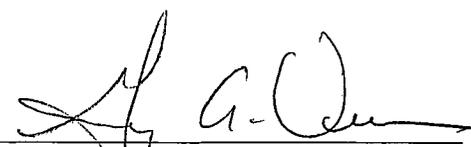


Pat Landes, Mayor

Attest:



Tyler Ficken, City Clerk

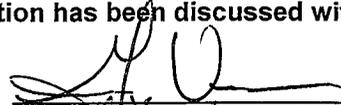


Gerry A. Vernon

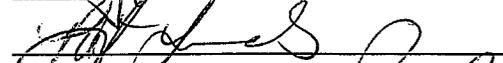
CITY OF JUNCTION CITY

PERFORMANCE EVALUATION REPORT																			
Employee Name (First) (M.I.) (Last) Gerry A. Vernon						Review Period Feb '11 – Feb '12		Department Administration		Division									
Position Title City Manager						Employee Status Active		Type of Evaluation Annual		Fund:									
Current Rate				New Rate		Anniversary Pay			Effective Date										
1	2	3	4	5	SECTION A		6	SECTION B		STANDARD PERFORMANCE									
NOT SATISFACTORY	SOME IMPROVEMENT NEEDED	MEETS STANDARDS	EXCEEDS STANDARDS	EXCELLENCE	FACTOR CHECK LIST Immediate Supervisor Must Check Each Factor in the Appropriate Column		DOES NOT APPLY	See Next Page											
								SECTION C		JOB STRENGTHS									
								See Next Page											
										1	3	1	1. Appearance						
										1	2	2	2. Compliance with Policies & Rules						
										1	3	1	3. Time Management						
											1	2	4. Safety Practices	2	SECTION D		DEFICIENCIES		
										1	1	3	5. Attitude		See Next Page				
										1	2	2	6. Job & Technical Knowledge						
										1	3	1	7. Judgment/Problem Solving						
											2	3	8. Attendance & Punctuality						
										1	2	2	9. Quality of Work						
										1	2	2	10. Productivity		SECTION E		IMPROVEMENTS		
											1	4	11. Job Interest & Self Motivation		See Next Page				
											1	4	12. Integrity & Professionalism						
										1	2	2	13. Community Involvement						
										1	3	1	14. Communication						
										1	2	2	15. Teamwork, Peer Relationships						
		1	2	2	16. Performance of Job Procedures		SECTION F		COMMENTS										
					17.		See Next Page												
					18.														
SUPERVISOR SECTION																			
			2	1	19. Supervision														
			1	2	20. Planning														
			2	1	21. Application of Policies, Procedures, Rules, and Regulations		OVERALL RATING												
			2	1	22. Equal Opportunity		Not Sat	Imp Needed	1	Meets Std	3	Exceeds Std	2	Excellence					

I certify that this evaluation has been discussed with me. I understand that my signature does not necessarily indicate agreement.

Gerry Vernon/ Employee 

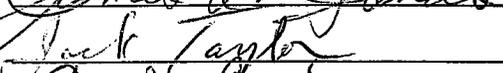
City Manager Date 2/7/12

Pat Landes/ Rater 

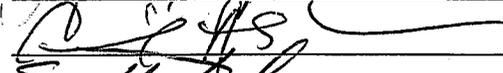
Mayor Date 2-7-12

Jim Sands/ Rater 

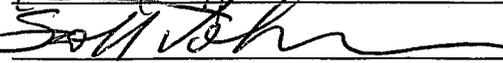
Commissioner Date 2-7-12

Jack Taylor/ Rater 

Commissioner Date 2-7-12

Cecil Aska/ Rater 

Commissioner Date 2-7-12

Scott Johnson/ Rater 

Commissioner Date 2-7-12

City Manager 2011 Accomplishments

When I came to Junction City in January 2010 I developed a recovery plan with the following four components:

1. Establishing Fiscal Stability
2. Implementing Technology to Increase effectiveness
3. Establishing Professional Development Opportunities
4. Ethics

In sticking with this plan, the following are my accomplishments under those parameters:

1. Establishing Fiscal Stability
 - Core and basic services received priority
 - Established a cash reserve
 - Assigned costs to appropriate departments
 - Analyzed staffing levels and eliminated two positions for 2012
 - Working to eliminate negative fund balances (2013)
 - Invest in infrastructure – Streets
2. Technology
 - Returned funding to existing computer replacement program
 - Implemented iPad/Agenda Packet program to reduce costs
 - Continued to improve and update website
 - Recording Commission Meetings with delayed rebroadcasts
3. Professional Development
 - Minimal travel and training budgets re-established for Management Team
 - City Manager received Credentialed Manager status with ICMA
 - Organized succession planning efforts for Department Heads
4. Ethics
 - Equal and fair application of ordinances
 - Provided ethics training to Management Team
 - Opened communication channels with the citizens
 - Roundtable budget discussions
 - Coffee Conversations
 - Established professional relationships and dedicated to be forthcoming with the Press

City Manager 2012 Goals

1. **Establishing Fiscal Stability**
 - Continue to finish Fiscal Transformation Plan Recommendations
 - Finalize Public Works assumption from Veolia Water
 - Finalize Recreation Program as a joint effort with USD #475
 - Implement Employee Wellness Program to control health care costs
 - Provide leadership to Rolling Meadows and Opera House to keep and return fiscal stability
 - Provide leadership role to Helland Park and Aging Well projects
2. **Technology**
 - Continue to evaluate the implementation of technology to reduce operating costs and increase efficiency
 - Make website “mobile app” compatible to increase accessibility
 - Implement social media program to continue to open up City Hall
3. **Professional Development**
 - Maintain Credentialed Manager status by obtaining certification
 - Attend ICMA Annual Conference
 - Continue to push Department Head succession planning
4. **Ethics**
 - Revisit Ethics Ordinance for City Commission
 - Do my best to provide ethical leadership
 - Continue to push communication to develop trust and understanding with the general public

Kansas City Manager Survey
 Cities with 20,000 populations

Dec-11

City	Population
Dodge City	27340
Garden City	26658
Emporia	24916
Junction City	23353
Prairie Village	21447
Derby	22158
Liberal	20525
Hays	20510

1. What is your employment term?

Dodge City	No response
Garden City	Reviewed annually
Emporia	2 years
Junction City	2 years
Prairie Village	Indefinite
Derby	1 year
Liberal	No response
Hays	Indefinite

2. What is your annual base salary?

Dodge City	No response		
Garden City	\$ 123,000.00		
Emporia	\$ 123,000.00		
Junction City	\$86,000.00	Average	\$ 116,352.43
Prairie Village	\$ 124,000.00		
Derby	\$ 127,969.00		
Liberal	\$ 112,792.00	<i>LKM survey</i>	
Hays	\$ 117,706.00	\$ 108,500.00	Hays City Clerk ?

3. Do you have a severance package? If so, what are the terms?

Dodge City	No response
Garden City	9 months
Emporia	6 months
Junction City	6 months
Prairie Village	6 months
Derby	6 months
Liberal	No response
Hays	6 months

4. Are you offered a vehicle allowance? If so, what is the amount

Dodge City	No response
Garden City	\$4200 paid annually in January for local vehicle and communications allowance
Emporia	\$500.00 per month
Junction City	\$500 per month
Prairie Village	\$450 per month
Derby	\$600 per month
Liberal	No response
Hays	\$500 /month or car - Mgrs choice

5. Do you receive deferred compensation over and above regular retirement? If so, what is the amount?

Dodge City	No response
Garden City	8% of salary
Emporia	7% of base salary
Junction City	10% - \$8,700
Prairie Village	5% of salary
Derby	\$5822 annually
Liberal	No response
Hays	10% - \$17,000

6. Are there other authorized expenses such as ICMA, LKM, APWA memberships?

Dodge City	No response
Garden City	Yes, managers discretion
Emporia	Yes, professional affiliations, no service clubs
Junction City	Yes, managers discretion
Prairie Village	Yes, annual professional conference
Derby	No response ICMA, KACM, Chamber, and 1 local civic club
Liberal	No response
Hays	Yes, all professional plus Rotary

7. Do you receive other compensation? i.e. phone allowance, etc.

Dodge City	No response
Garden City	\$5000 paid annually in January for all out of town travel expenses
Emporia	100% health insurance - \$50 phone allowance
Junction City	Use of laptop, Ipad, and phone
Prairie Village	\$40 per month phone
Derby	\$80 per month phone
Liberal	No response
Hays	No compensation - but received laptop, Ipad, & Blackberry

8. Do you employ an Assistant or Deputy Manager?

Following information gleaned from LKM survey or Internet research

Dodge City	Yes
Garden City	No
Emporia	Yes
Junction City	Yes
Prairie Village	Yes
Derby	Yes
Liberal	Yes
Hays	Yes

9. Do you employ a Chief Financial Officer or Finance Director?

Following information gleaned from LKM survey or Internet research

Dodge City	Yes Finance Director/City Clerk
Garden City	Yes
Emporia	Yes
Junction City	Yes
Prairie Village	Yes
Derby	Yes
Liberal	Yes
Hays	Yes