

**Employment Agreement**  
**City of Grand Island, Nebraska**  
**and**  
**Laura D. McAloon**

This Agreement, made and entered into this 28<sup>th</sup> day of June, 2023, by and between the City of Grand Island, Nebraska, a city of the first class and Nebraska municipal corporation, conducting its principal business at 100 East First Street, Grand Island, Nebraska 68802-1968 (hereinafter called "Employer" or "City"); and Laura D. McAloon, an adult person currently residing in Grand Island, Nebraska (hereinafter called "Employee") and possessing the education, training, and experience in leadership and management, and who, as a member of the International City/County Management Association ("ICMA"), is subject to the ICMA Code of Ethics, both of whom agree as follows:

**Section 1: Term**

This Agreement shall be in effect as of the City Council's approval of the Mayor's appointment of Employee as City Administrator and shall thereafter remain in full force and effect until terminated by the Employer or Employee as set forth herein.

**Section 2: Duties and Authority**

- A. Employer agrees to hire and employ Employee as City Administrator, and Employee agrees to and shall perform the functions, duties, and authority of the City Administrator for the Employer, pursuant to the terms and conditions set forth in this Agreement and the applicable provisions of Nebraska state law and the Grand Island City Code; and to perform such other legally permissible and proper duties consistent therewith, as directed, from time to time, by the Mayor of the City.
- B. Employee shall be the chief administrative officer of the Employer, shall be supervised and directed by the Mayor of the City in accordance with state and local laws, and shall faithfully perform the lawfully prescribed and assigned duties of the City Administrator with reasonable care, diligence, skill, and expertise in compliance with all applicable, lawful directives; state, local, and federal laws; and Employer policies, rules, and regulations as they exist or may hereafter be amended.

**Section 3: Compensation**

- A. Base Salary: Upon the effective date of this Agreement, Employer agrees to pay Employee an annual base salary starting at Step 3 of the current City Administrator pay scale in the amount of One Hundred Ninety Two, Five Hundred Twenty Nine Dollars and Fifty-seven Cents (\$192,529.57), payable in

biweekly installments at the same time and manner that other employees of the Employer are paid.

- B. This Agreement shall be automatically amended to reflect any salary adjustments that are provided or required by Employer's compensation policies, to include benefit and salary adjustments on the same basis as other non-represented employees, and those set forth in this Agreement, if different.

#### **Section 4: Health, Disability, VEBA and Life Insurance Benefits**

- A. Employer shall provide and/or agrees to pay the premiums for life, health, hospitalization, surgical, vision, pharmacy, and dental coverage for the Employee and dependents, equal in kind and amount to that which is provided to all other employees of the Employer, including the Employer's VEBA plan. The Employee agrees to pay the same employee copayments, coinsurance, associated costs, contributions, and deductibles as other employees of the Employer covered by the Employer's health and other insurance benefit plans.
- B. The Employer agrees to put into force and to make required premium payments for short-term and long-term disability coverage for the Employee equal in kind and amount to that which is provided to all other employees of the Employer.

#### **Section 5: Vacation, Sick Leave, Personal Days, Holidays, and Benefits**

- A. Upon the effective date of this Agreement, the Employee shall be credited with one hundred sixty (160) hours (four work weeks) of accrued vacation leave hours in addition to the Employee's existing accrued vacation leave hours. In years one and two of this Agreement, the Employee will accrue vacation at the accrual rate of an Employee with years 9 through 10 of service, thereafter the accrual rate shall progress in accordance with the provisions of the Personnel Rules & Regulations.
- B. All other leave, personal days, holidays and benefits shall be accrued, credited and paid in accordance with the Personnel Rules & Regulations and equal in kind and amount to that which is provided to all other employees of the Employer.
- C. Employee shall provide prior notice of vacation use to the Mayor and Human Resources Director and Assistant City Administrator. Unused vacation hours may be accrued and/or paid out in accordance with the Personnel Rules & Regulations.

#### **Section 6: Automobile Allowance**

- A. As of the effective date of this Agreement and while an Employee of the Employer, Employee shall provide and use their own personal motor vehicle for City related business and activities, including mileage for out-of-City travel.

- B. In lieu of providing an Employer motor vehicle, Employer agrees to pay to Employee, during the term of this Agreement, and in addition to other salary and benefits herein provided, the sum of Seven Thousand Two Hundred and 00/100 Dollars (\$7,200.00) per year, payable monthly, as a vehicle allowance to be used to purchase (own) or lease, operate, and maintain a motor vehicle of Employee's choice for business and personal use.
- C. Employee acknowledges and understands that this allowance may constitute Federal and State taxable income to Employee, for which Employee shall be solely liable.
- D. Employee shall be responsible, and without reimbursement from the Employer, for obtaining, paying for, and at all times maintaining personal injury, death, and property damage liability insurance, collision coverage, and comprehensive insurance coverage, in amounts not less than \$100,000.00 per person and \$500,000.00 aggregated per incident for personal injury and an amount customary for property damage.
- E. Employee shall further similarly be solely responsible for all costs, fees, and expenses attendant to the purchase, operation, maintenance, repair, and regular replacement of said vehicle.
- F. Said motor vehicle shall be appropriate for the intended business use, maintained by the Employee in a safe mechanical condition and be clean and presentable at all times when used for City business.
- G. This monthly vehicle allowance will only apply and be paid during such time as the Employee is employed as City Administrator by the Employer.

#### **Section 7: Retirement**

- A. Employer and Employee agree to make the appropriate minimum contributions to Employer's pre-tax retirement plan on Employee's behalf at the percentage of Employer and Employee base salary contributions then in effect for non-represented employees.
- B. In addition to the base salary paid by the Employer to Employee and the retirement contribution set forth above, Employer shall contribute an amount equal to five percent (5%) of Employee's base salary into the Employee's designated Section 457 deferred compensation plan on Employee's behalf, in an equal proportionate amount each pay period. Any contributions to Employee's designated Section 457 deferred compensation plan in excess of 5% of Employee's base salary shall be paid by Employee.

## **Section 8: General Business and Technology Expenses**

- A. Employer agrees to pay for all reasonable professional dues and subscriptions of Employee necessary for continuation and full participation in national, regional, state, and local associations and organizations necessary and/or desirable for Employee's continued professional education, growth, and advancement, and for the good of the Employer, but solely within the parameters of the approved annual budget.
- B. Employer agrees to pay for travel and subsistence expenses of Employee in accordance with Employer's policies for professional and official travel, meetings, and work related occasions to adequately continue the professional development of Employee, and to pursue necessary official functions for Employer, including, but not limited to, the ICMA Annual Conference; the League of Nebraska Municipalities conferences, training, and events; and such other national, regional, state, and local governmental groups, bodies, organizations, and committees in which Employee is or becomes as a member, but solely within the parameters of the approved annual budget.
- C. Employer also agrees to pay for travel and subsistence expenses of Employee for short courses, institutes, and seminars that are necessary for the Employee's professional development and for the good of the Employer, but solely within the parameters of the approved annual budget.

## **Section 9: Termination**

Termination shall occur if and when:

- A. A super majority (seven (7) or more members) of the City Council votes to approve the Mayor's request to terminate the Employee at a duly authorized public meeting.
- B. The Mayor asks the Employee to voluntarily resign, whether formally or informally.
- C. The Employer reduces the base salary, compensation, or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all employees, then such action shall constitute a breach of this Agreement and will be regarded as a termination.
- D. The effective date of a change in the form of City government, as approved by the voters of the City at a duly called special election.
- E. The Employee is asked by a new Mayor to resign, formally or informally, during the six (6) months immediately following the swearing-in of the new Mayor.

In the event of a termination under Section 9.E above, and during such time that Employee is willing and able to perform their duties under this Agreement, then, Employer agrees to pay Employee the salary and benefits as set forth in this Agreement for any portion of the six month period following the swearing-in of a new Mayor not actually worked by Employee, in addition to the payment of any and all severance benefits due Employee in accordance with Section 10 of this Agreement and the Personnel Rules & Regulations then in effect.

**Section 10: Severance**

A. Severance shall be paid to the Employee when employment is terminated as defined in Section 9. If the Employee is terminated, the Employer shall provide a minimum severance payment equal to six (6) months of compensation at the then current rate of pay, up to a maximum of nine (9) months compensation, including paid holidays. This severance shall be paid in a lump sum, unless otherwise agreed to by the Employer and the Employee. The Employee shall also be compensated for all accrued and unused sick leave at the daily rate then paid to employees, accrued and unused vacation, and all paid holidays not yet observed in the severance payment period. The Employer shall pay the cost to continue the following benefits for the Employee during said severance payment period:

1. Health insurance for the employee and all dependents..
2. Life insurance.
3. Short-term and long-term disability insurance.
4. Car allowance.
5. Any other available benefits.

B. The severance compensation payment amount shall increase by one (1) month for each full year the Employee is employed by the Employer under this Agreement, i.e., seven (7) months of severance compensation after one year of employment as City Administrator; eight (8) months after two full years of employment; and nine (9) months after three full years of employment.

**Section 11: Resignation**

If Employee voluntarily resigns or retires from their duties as City Administrator, Employee shall provide a minimum of three (3) months written notice to the Mayor and Human Resources Director, unless the parties agree otherwise. Upon resignation, the Employer shall not be obligated to pay severance but shall pay any accrued and unused vacation and/or sick leave, and any other benefits due in accordance with the Personnel Rules & Regulations then in effect.

**Section 12: Performance Evaluation**

The Mayor, Human Resources Director and Employee shall establish a mutually agreeable method of performance review that provides Employer and Employee the

opportunity to fully and fairly share information and feedback regarding the Employee's annual performance.

### **Section 13: Hours of Work**

It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end, Employee shall be allowed to establish an appropriate work schedule.

### **Section 14: Outside Activities**

The employment provided for by this Agreement shall be Employee's sole employment. Recognizing that certain outside consulting, or teaching opportunities provide indirect benefits to Employer and the community, Employee may elect to accept limited teaching, consulting, or other business opportunities with the understanding that such arrangements shall not interfere with or be a conflict of interest with their responsibilities under this Agreement.

### **Section 15: Indemnification**

To the maximum extent permitted by law, the Employer must defend, save harmless, and indemnify the Employee from and against any costs, fines, judgments, fees, expenses, damages, suits, claims, demands, actions, or awards, including but not limited to Employee's reasonable attorney's fees incurred in such action and in enforcing this indemnification provision, incurred in connection with any tort, statutory, constitutional, professional liability, or other cause of action, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as City Administrator, even if said claim is brought/filed following Employee's separation from employment or based upon Employee's own alleged negligence or misconduct, provided that at the time of the alleged act or omission, the Employee was then acting within the scope of their duties. Under these circumstances only, the Employer (and/or its insurer) must pay the amount of any settlement or judgment rendered thereon, and further, the Employer (and/or its insurer) may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon without recourse to the Employee.

In connection with those claims or suits involving the Employee in their professional capacity, the Employer must defend the Employee and/or must retain and pay for an attorney to represent the Employee (including all fees and costs) in connection with any such suit, claim, complaint, mediation, arbitration, or similar actions.

This Section survives the termination of this Agreement.

### **Section 16: Bonding**

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

## **Section 17: Other Terms and Conditions of Employment**

- A. Employer, upon agreement with Employee, may amend any such other employment terms and conditions as they may determine, from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Grand Island City Code, or any other law.
- B. Unless otherwise provided in this Agreement, the Employee shall be governed by State law, Grand Island City Code, Employer's Personnel Rules & Regulations, or by practice.

## **Section 18: Notices**

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- (1) EMPLOYER: Mayor, 100 East First Street, Grand Island, NE 68802
- (2) EMPLOYEE: Laura D. McAloon, 1823 West John Street, Grand Island, NE 68803.

Alternatively, notice required, pursuant to this Agreement, may be personally delivered to Employee by Employer. Notice shall be deemed given as of the date of personal service or three (3) days after the date of mailing.

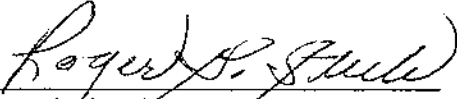
## **Section 19: General Provisions**

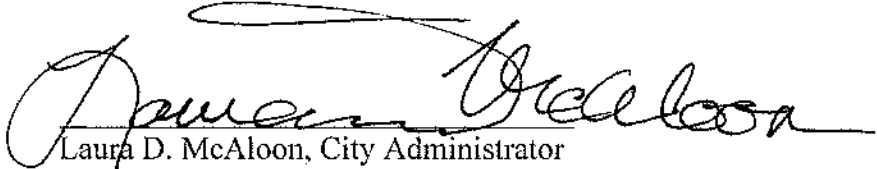
- A. Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. This Agreement may be amended only by an express written agreement signed by the Employer and Employee. Such amendments shall be incorporated and made a part of this Agreement.
- B. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest, if any.
- 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. Precedence. In the event of any conflict between the terms, conditions and provisions of this Agreement and the provisions of Employer's policies, rules, regulations or permissive local, state or federal laws, then, unless otherwise prohibited by law, the terms of this Agreement shall take precedence over contrary provisions for so long as this Agreement remains in effect.

E. Laws and Venue. This Agreement shall be construed, interpreted, and enforced in accord with the laws of the State of Nebraska. All disputes shall be resolved solely by a state court of competent jurisdiction located in Hall County, State of Nebraska.

Signed this 28 day of June, 2023.

  
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Roger G. Steele, Mayor

  
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Laura D. McAloon, City Administrator