Employment Agreement Between Christopher J. Brady And City of Mesa

This Employment Agreement (the "Agreement"), is effective as of July 1, 2015 by and between the City of Mesa, an Arizona municipal corporation, (hereinafter called "Employer") and Christopher J. Brady, (hereinafter called "Employee").

Term

This Agreement shall be deemed effective as of July 1, 2015 and shall remain in full force and effect until terminated by the Employer or Employee as provided in this Agreement.

Duties and Authority

Employer agrees to employ Christopher J. Brady as Mesa City Manager, to perform the functions and duties specified in the Mesa City Charter, the Mesa City Code and as directed by the City Council.

Hours of Work

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

Compensation

- A. Base Salary: Employer agrees to pay Employee an annual base salary of \$236,250 payable in installments at the same time that the other City employees are paid.
 - Employee is eligible for salary increases based upon merit and performance, as determined by the City Council. Employee is eligible for cost of living increases as provided in the budget for other City Executive level employees.
- B. Deferred Compensation: Employer will pay \$25,500 per year into a defined contribution plan (or plans), established by the City, on the Employee's behalf. Payments will be made in equal proportionate amounts each pay period. Employee will designate the defined contribution plan (or plans).

Arizona State Retirement System

The Employer agrees to enroll the Employee into the Arizona State Retirement System. The Employer will be responsible for the employer's contribution and the Employee will be responsible for his contribution.

Health, Disability and Life Insurance Benefits

- A. The Employer agrees to provide and to pay the premiums for medical, vision, and dental for the Employee and his dependents equal to that which is provided to all other City employees.
- B. Executive Physical: The Employer agrees to pay for an annual Executive Physical as provided for other employees on the Executive Pay Plan.
- C. Life Insurance: The Employer agrees to provide term life insurance for Employee equal to two times his base salary.

Vacation Leave

- A. Vacation Leave: The Employee shall accrue 20 hours of vacation leave per month.
- B. 100 hours of additional vacation leave as of July 1st of each year.
- C. The Employee will be paid for any accrued vacation leave as of December 31 of each year. Employee is not required to use 80 hours of vacation leave to be entitled to this payment (as set forth in Section 431(D) of the Personnel Rules). Payment for the accrued vacation leave will be made on or before January 31st of the following year.

Personal Leave

The Employee shall annually be credited with seventy-two hours of personal leave in addition to any personal leave hours provided to other City employees. These days will be forfeited if not used during the calendar year they are earned.

Sick Leave

The Employee shall accrue sick leave on an annual basis at the same rate provided to other City Executives (currently 8 hours per month).

Automobile Allowance

The Employer agrees to pay to the Employee \$7,200 per year, payable monthly (\$600 per month), 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 said insurance shall be primary and the City's insurance shall be secondary. Employee shall also be responsible for all expenses attendant to the purchase, operation, maintenance, repair, and regular replacement of the vehicle.

The Employer shall reimburse the Employee at the City's standard mileage rate for any business use of the vehicle beyond the corporate boundaries of Maricopa County.

Communication Allowance

The Employer agrees to pay to the Employee \$1,320 per year, payable monthly (\$110 per month), as a communication allowance.

Professional Development

Employer agrees to budget and pay for appropriate dues and travel expenses for professional development and professional conferences, including but not limited to the Annual Conference of the International City Management Association, the National League of Cities, and other appropriate conferences as approved through the City Manager's budget.

General Business Expenses

The Employee is required as a condition of his employment to maintain such additional offices as he deems necessary for purposes of studying and keeping himself fully informed of all current developments in the field of municipal management and administration in which he is concerned and for such other purposes as are necessary for him to keep the status of his office duties current.

Liquidated Damages for Termination

- A. For the purpose of this Agreement, termination shall occur when:
 - 1. Two thirds of the governing body votes to terminate the Employee at any regular or special Council Meeting, as provided for pursuant to Article III, Section 302 of the Mesa City Charter.
 - 2. If 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 department managers.

B. If the Employee is terminated without cause, and in consideration for a full and complete release of all claims and causes of action against the Employer, the Employer agrees to pay the Employee an amount equal to nine (9) months salary, calculated using the salary at the time of termination; all accrued vacation leave; and accrued sick leave up to a maximum equal to 520 hours of sick leave. If, however, the Employee is terminated because of a felony conviction or any criminal offense involving moral turpitude or because of his willful breach or habitual neglect of his duties under the Agreement, the Employer shall have no obligation to pay this amount.

Resignation

In the event that the Employee voluntarily resigns his position with the Employer, the Employee shall provide a minimum of 30 days notice unless the parties agree otherwise. If the Employee voluntarily resigns, Employer will have no obligation to pay the sum set for in the "Termination" provision.

Performance Evaluation

Employer shall review the performance of the Employee 90 days and 180 days after appointment and annually thereafter. Employee will be evaluated based on Employee's proposed Action Plan and City Council direction and objectives.

Bonding

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

Other Terms and Conditions of Employment

- A. Employee shall hold no other employment during the term of this Agreement.
- B. Employee shall establish residence within the corporate boundaries of Mesa within 60 days from the effective date of this Agreement, and thereafter shall maintain residence within the corporate boundaries of Mesa during the term of his employment.
- C. Employee understands and agrees that the position of City Manager serves at the will of the Mayor and City Council and that the Employee may be dismissed from City employment pursuant to Article III, Section 302 of the Mesa City Charter.
- D. Except as otherwise provided in this Agreement, the Employee shall be entitled to the highest level of benefits that are enjoyed by other employees on the Executive Pay Plan.

- E. Applicability of Mesa Personnel Rules: Employer and Employee understand and agree that all terms and provisions in the Mesa Personnel Rules are applicable, unless inconsistent with the terms of this agreement.
- F. 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.
- G. Governing Law: This Agreement will be governed by and construed in accordance with laws of the State of Arizona.

EMPLOYEE

Christopher J. Brady

Date

CITY OF MESA

John C. Giles

Mayor

Date

Approved as to form:

James N. Smith

Mesa City Attorney

First Amendment to the Employment Agreement

Christopher J. Brady And City of Mesa

This First Amendment to the Employment Agreement ("<u>First Amendment</u>") is by and between the City of Mesa an Arizona municipal corporation ("<u>Employer</u>") and Christopher J. Brady ("<u>Employee</u>"). Employer and Employee may be referred to individually as "Party" and collectively as the "Parties."

RECITALS

- A. Employer and Employee are parties to the certain Employment Agreement dated effective as of July 1, 2015 (the "Employment Agreement").
- B. The Parties desire to amend the Employment Agreement to increase the annual base salary by 3%, increase the deferred compensation by \$24,000, and increase the fiscal year vacation by 20 hours.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing, and the promises and agreements set forth herein and the Employment Agreement, the Parties agree as follows:

- 1. <u>Base Salary</u>. The Parties agree that Employee's annual base salary, in Section A of the "Compensation" section of the Employment Agreement, is hereby increased by 3%, and such increase shall be effective as of July 1, 2016.
- 2. <u>Deferred Compensation</u>. Effective January 1, 2017, Section B of the Compensation section of the Employment Agreement is replaced in its entirety as follows: Effective January 1, 2017, Employer shall make a lump sum payment to Employer's 457(b) plan on behalf of Employee of \$12,000. For the remainder of the 2016/2017 fiscal year, Employer shall make all deferred compensation contributions to the 401(a) plan in an amount such that the total Employer contributions to all the deferred compensation plans for Employee for the 2016/2017 fiscal year (including those contributions made prior to January 1, 2017) total \$49,500. For subsequent fiscal years, the Employer shall contribute \$49,500 per fiscal year to the 401(a) plan. Except for the one-time \$12,000 payment, all payments will be made in equal proportionate amounts each pay period. In the event that the Internal Revenue Code limits the amount that the Employer can contribute to the 401(a) plan to an amount less than specified under this Agreement, such excess amount shall be contributed to the Employee's 457(b) plan.
- 3. <u>Vacation Leave</u>. The Parties agree that Employee's annual vacation bank allotment, in Section B of the "Vacation Leave" section of the Employment Agreement, is hereby increased by 20 hours for each fiscal year, and such increase shall be effective as of July 1, 2016.
- 4. <u>Effect of First Amendment</u>. This First Amendment shall be deemed to amend the Employment Agreement with respect to all terms, provisions and changes set forth in this First Amendment. Except as amended by this First Amendment, all terms, provisions and conditions of the Employment Agreement shall remain in full force and effect.

[00218455.1]

EMPLOYEE

Christopher J. Brady

CITY OF MESA, an Arizona municipal corporation

John C. Giles

Approved as to form:

James N. Smith Mesa City Attorney

[00218455.1]

Second Amendment to the Employment Agreement

Christopher J. Brady And City of Mesa

This Second Amendment to the Employment Agreement ("Second Amendment") is entered into between the City of Mesa an Arizona municipal corporation ("Employer") and Christopher J. Brady ("Employee"). Employer and Employee may be referred to individually as "Party" and collectively as the "Parties."

RECITALS

- A. Employer and Employee are parties to that certain Employment Agreement entered into as of July 1, 2015 (the "Employment Agreement);
- B. The Parties thereafter, on November 9, 2016, entered into a First Amendment to the Employment Agreement to provide Employee with certain compensation and benefit increases (the "First Amendment"); and
- C. The Parties, through this Second Amendment, hereby desire to modify the City Manager's compensation by increasing the Employee's current annual base salary by 3%.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing, and the promises and agreements set forth herein, the Parties agree as follows:

- 1. <u>Base Salary</u>. The Parties agree that Employee's annual base salary, as set forth in Section A of the "Compensation" section of the Employment Agreement and as modified in Section 1 of the First Amendment, is hereby increased by 3%, and such increase shall be effective as of July 1, 2017.
- 2. Effect of Second Amendment. This Second Amendment shall be deemed to amend the Employment Agreement and First Amendment with respect to all terms, provisions and changes set forth in this Second Amendment. Except as amended by this Second Amendment, all terms, provisions and conditions of the Employment Agreement and First Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed on or as of October 2, 2017.

EMPLOYEE

Chairtachan I Danda

EMPLOYER

CITY OF MESA, an

Arizona mynicipal corporation

Jolin C. Giles

Mayor

Third Amendment to the Employment Agreement

Christopher J. Brady And City of Mesa

This Third Amendment to the Employment Agreement ("Third Amendment") is entered into between the City of Mesa an Arizona municipal corporation ("Employer") and Christopher J. Brady ("Employee"). Employer and Employee may be referred to individually as "Party" and collectively as the "Parties."

RECITALS

- A. Employer and Employee are parties to that certain Employment Agreement entered into as of July 1, 2013; and a First Amendment to the Employment Agreement dated November 9, 2016; and a Second Amendment to the Employment Agreement dated October 2, 2017 (collectively, the "Employment Agreement").
- B. The Parties, through this Third Amendment, hereby desire to modify the City Manager's compensation by increasing the Employee's current annual base salary by 4%.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing, and the promises and agreements set forth herein, the Parties agree as follows:

- 1. <u>Base Salary</u>. The Parties agree that Employee's annual base salary, as set forth in Section III, Paragraph A of the "Compensation and Benefits" section of the Employment Agreement (as amended in the amendments), is hereby increased by 4%, and such increase shall be effective as of July 1, 2018.
- Effect of Third Amendment. This Third Amendment shall be deemed to amend the Employment Agreement with
 respect to all terms, provisions and changes set forth in this Third Amendment. Except as amended by this Third
 Amendment, all terms, provisions and conditions of the Employment Agreement shall remain in full force and
 effect.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed on or as of August ______, 2018.

EMPLOYEE

Christopher J. Brady

EMPLOYER

CITY OF MESA, an

Arizona prunicipal corporation

John G. Giles

Mayor

Fourth Amendment to the Employment Agreement

Christopher J. Brady And City of Mesa

This Fourth Amendment to the Employment Agreement ("Fourth Amendment") is entered into between the City of Mesa an Arizona municipal corporation ("Employer") and Christopher J. Brady ("Employee"). Employer and Employee may be referred to individually as "Party" and collectively as the "Parties."

RECITALS

- (A) Employer and Employee are parties to that certain Employment Agreement ("Agreement") entered into and made effective as of July 1, 2015; a First Amendment to the Agreement dated November 9, 2016; a Second Amendment to the Agreement dated October 2, 2017; and a Third Amendment to the Agreement dated August 27, 2018 (collectively, the "Employment Agreement").
- (B) The Parties, through this Fourth Amendment, hereby desire to modify the Employee's annual salary, provide for additional vacation leave, and provide for an additional sick leave payout upon Employee's retirement from the Employer.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing, and the promises and agreements set forth herein, the Parties agree as follows:

- 1. <u>Base Salary</u>. The Parties agree that Employee's annual base salary, as set forth in the Employment Agreement, is hereby increased by 4%, and such increase shall be effective as of July 1, 2019.
- 2. <u>Vacation Leave</u>. The Parties agree that Employee's annual vacation leave bank allotment, as set forth in the Employment Agreement, is hereby increased to provide Employee with an additional two (2) hours of vacation leave per month, and such increase shall be effective as of July 1, 2019.
- 3. Sick Leave Payout.
 - (A) Employee, consistent with the benefits offered to all City Employees, is entitled, at retirement from the City of Mesa or death while employed, to be compensated for all accumulated sick leave time, up to a maximum of 520 hours for full time employees, at the rate of fifty percent (50%) of the accumulated sick leave time hours at the employee's effective hourly rate of pay.
 - (B) In addition to the compensation in paragraph (A) above, and as to the fifty percent of hours that would not be eligible for compensation under paragraph (A) above, the Parties agree that Employee shall also be entitled to be compensated for additional sick leave hours accrued, up to an additional maximum of 520 hours as follows: At retirement from the City of Mesa or death while employed, for each full month employed as City Manager, whether in an interim or permanent role, Employee shall be compensated for accumulated sick leave hours that would not be eligible for compensation under paragraph (A) above on a percentage basis

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based on the number of full months employed as City Manager, up to a maximum of 100% payment of additional sick leave hours after 120 full months of employment.

4. <u>Effect of Fourth Amendment</u>. This Fourth Amendment shall be deemed to amend the Employment Agreement with respect to all terms, provisions and changes set forth in this Fourth Amendment. Except as amended by this Fourth Amendment, all terms, provisions and conditions of the Employment Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Fourth Amendment to be duly executed on or as of November 4, 2019.

EMPLOYEE

Christopher J. Brady

City Manager

EMPLOYER

CITY OF MESA, an

Arizona municipal corporation

John C. Giles

Mayor

Approved as to Form

City Attorney

Fifth Amendment to the Employment Agreement

Christopher J. Brady And City of Mesa

This Fifth Amendment to the Employment Agreement ("Fifth Amendment") is entered into between the City of Mesa, an Arizona municipal corporation ("Employer") and Christopher J. Brady ("Employee"). Employer and Employee may be referred to individually as "Party" and collectively as "Parties."

RECITALS

- A. Employer and Employee are parties to that certain Employment Agreement entered into and made effective as of July 1, 2015; a First Amendment to the Employment Agreement dated November 9, 2016; a Second Amendment to the Employment Agreement dated October 2, 2017; a Third Amendment to the Employment Agreement dated August 27, 2018; and a Fourth Amendment to the Employment Agreement dated November 4, 2019 (collectively, the "Employment Agreement").
- B. The Parties, through this Fifth Amendment, hereby desire to provide for a one-time payment to Employee and modify the deferred compensation paid to Employee.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing, and the promises and agreements set forth herein, the Parties agree as follows:

- 1. One-Time Payment: Consistent with the one-time payment made to eligible City of Mesa employees, Employer will pay to Employee a one-time gross payment of \$2,000, applicable taxes and withholdings to be deducted, to be direct deposited on January 15, 2021 into Employee's account on file with the City of Mesa payroll system.
- 2. <u>Deferred Compensation</u>: In addition to the deferred compensation provided to Employee under the Employment Agreement, Employer will pay an additional \$8,133 per year on Employee's behalf into the 401(a) plan and such additional payment is effective January 4, 2021.
- 3. <u>Effect of Fifth Amendment</u>: This Fifth Amendment shall be deemed to amend the Employment Agreement with respect to all terms, provisions, and changes set forth in this Fifth Amendment. Except as amended by this Fifth Amendment, all terms, provisions, and conditions of the Employment Agreement shall remain in full force and effect

IN WITNESS WHEREOF, the Parties have caused this Fifth Amendment to be duly executed on or as of February 25, 2021.

EMPLOYEE

Christopher J. Brady City Manager

Approved as to Form

City Attorney

EMPLOYER CITY OF MESA, an

Arizona Municipal corporation

John C. Giles

Mayor