

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this 3rd Day of June 2024, by and between the Board of Trustees of the Town of Grand Lake, State of Colorado, a statutory municipality (the "Town"), and Guy P. Patterson (the "Town Manager"), both of whom understand the following:

RECITALS

A. The Town desires to employ the services of said Guy P. Patterson as Town Manager for the Town of Grand Lake, Colorado.

B. The Town Board of Trustees desires to provide certain benefits, establish certain conditions of employment, and set working conditions for the Town Manager in accordance with Article 7 of the Town of Grand Lake Municipal Code (the "Code")

C. The Town Board of Trustees desires to secure and retain the services of the Town Manager, establish policy which will act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Town Manager, and provide a just means for terminating the Town Manager's services at such time as he may be unable to fully discharge his duties, or becomes disabled, or when the Town may desire to otherwise terminate his employment for any reason.

D. Guy P. Patterson desires to accept employment as the Town Manager of the Town of Grand Lake, Colorado.

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

1. Duties. The Town agrees to employ Guy Patterson ("Patterson") as the full-time Town Manager of Grand Lake, Colorado, effective July 1st, 2024 (the "Effective Date"), to perform the functions and duties specified by law, including applicable state statutes, the Town's Code and the ordinances of the Town, as authorized by the Town Board of Trustees, and to perform such other legally permissible and proper duties and functions as the Town Board of Trustees shall from time to time assign. This shall be a full-time position.

2. Term.

a. The term of this Agreement shall be indefinite, subject to annual appropriation, and nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Town Board of Trustees to terminate the services of the Town Manager at any time, subject only to the provisions set forth in Section 4, paragraphs a, b, and c, of this Agreement.

b. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Town Manager to resign at any time from his position with the

Town, subject only to the provision set forth in Section 4, paragraph d of this Agreement.

- c. The Town Manager agrees to remain in the exclusive employ of the Town and neither to accept nor become employed by any other employer until separation of the Town Manager, pursuant to Section 4 of this Agreement. The term "employed" shall not be construed to include occasional teaching, writing, or consulting performed on the Town Manager's time off.

3. Compensation. The initial base salary to be paid to Patterson for his services as Town Manager shall be One Hundred Fifty-Five Thousand Dollars (\$155,000.00) annually ("Base Salary"), which shall be paid periodically in the same manner as other employees of the Town are paid. Such salary may be increased by appropriate action of the Town Board of Trustees at any time or by the requirements of Section 9d of this agreement.

In addition to such base salary, the Town Manager shall receive such other benefits as afforded all exempt Town employees and at the time of employment shall begin accruing benefits. Other considerations shall apply as follows:

- a. Upon the first day of work, the Town Manager shall be allocated 16 hours of initial PTO accessible immediately.
- b. The Town Manager shall be entitled to any other leave and financial benefits provided to other employees on an equal basis as contained in the Town of Grand Lake's Employee Manual.
- c. The Town shall pay a stipend of \$100.00 per month for a cellular phone, cellular phone plan, and other necessary technology equipment to assist the Town Manager in performing his duties.
- d. The Town Manager shall be reimbursed by the Town for mileage when the Town Manager uses his private vehicle for business purposes at the standard rate established by the Internal Revenue Service, as amended from time to time.
- e. The Town Manager shall be responsible for \$1,750.00 per month to Grand Escape Cottages for housing from July 1st, 2024 through September 30th 2024. On October 1st 2024 The Town Manager shall be responsible for \$2000.00 per month for housing at the Town-owned Matthew's Property until May 31st 2025.

4. Termination and Severance Pay.

- a. In the event the Town Manager is terminated by the Town Board of Trustees during such time that the Town Manager is willing and able to perform the duties of the Town Manager then, in that event, the Town agrees to pay the Town Manager a lump sum cash payment (the "Severance Pay") as follows:

1. In the event said termination occurs within six (6) months of the effective date of this agreement, the Town shall have no obligation to pay any severance.
- n. In the event said termination occurs within six (6) months of the effective date of this Agreement to one (1) year the lump sum cash payment shall be in an amount equal to (3) months' Base Salary. Town shall provide three (3) months of health insurance, however, that in the event the Town Manager is terminated because of his conviction of any felony or crime involving moral turpitude or failure by the Manager in any material way to fulfill or comply with his obligations under this Agreement, in that event, the Town shall have no obligation to pay the aggregated severance sum designated in this paragraph.
111. In the event said termination occurs between one (1) year of the effective date of this Agreement and three (3) years the lump sum cash payment shall be in an amount equal to six (6) months' Base Salary. Town shall provide six (6) months of health insurance; provided, however, that in the event the Town Manager is terminated because of his conviction of any felony or crime involving moral turpitude or failure by the Manager in any material way to fulfill or comply with his obligations under this Agreement, in that event, the Town shall have no obligation to pay the aggregated severance sum designated in this paragraph.
- 1v. In the event said termination occurs between three (3) years of the effective date of this Agreement to five (5) years the lump sum cash payment shall be in an amount equal to nine (9) months' Base Salary. Town shall provide nine (nine) months of health insurance; provided, however, that in the event the Town Manager is terminated because of his conviction of any felony or crime involving moral turpitude or failure by the Manager in any material way to fulfill or comply with his obligations under this Agreement, in that event, the Town shall have no obligation to pay the aggregated severance sum designated in this paragraph.
- v. In the event said termination occurs five (5) year of the effective date of this Agreement or longer, the lump sum cash payment shall be in an amount equal to twelve (12) months' Base Salary. Town shall provide twelve (12) months of health insurance; provided, however, that in the event the Town Manager is terminated because of his conviction of any felony or crime involving moral turpitude or failure by the Manager in any material way to fulfill or comply with his obligations under this Agreement, in that event, the Town

shall have no obligation to pay the aggregated severance sum designated in this paragraph.

- b. In the event the Town Manager voluntarily resigns his/her position with the Town, the Town Manager shall give the Town one (1) month written notice in advance, or such lesser amount of advance notice as may be otherwise mutually agreed to by the parties. The Town Manager shall not be entitled to nor shall he receive Severance Pay if he chooses to voluntarily resign.
- c. In addition to any and all forms of compensation mentioned above, at the time of termination or resignation, the Town Manager is entitled to and shall receive payment for all accrued Vacation Leave as set forth herein.
- d. For the purpose of this agreement, termination shall occur when:
 - 1. The majority of the governing body votes to terminate the Town Manager at a duly authorized public meeting.
 - 2. If the Town, citizens or legislature acts to amend any provisions of the code pertaining to the role, powers, duties, authority, responsibilities of the Town Manager's position that substantially changes the form of government, the Town Manager shall have the right to declare that such amendments constitute termination;
 - 3. If the Town reduces the base salary, compensation or any other fringe benefit of the Town Manager, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this Agreement and will be regarded as termination.
 - 4. If the Town Manager resigns following an offer to accept resignation, whether formal or informal, by the Town as representative of the majority of the governing body that the Town Manager resign, the Town Manager may declare a termination as of the date of the suggestion; or
 - 5. Breach of contract declared by either party with a 30-day cure period for either Town Manager or Town. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 13.

5. Hours of Work.

- a. It is recognized that the Town Manager must devote a great deal of his time outside normal office hours to the business of the Town (8:00 - 5:00 Monday through Friday) and may work more than a normal 8 hour day or a normal 40

hour week. To that end, the Town Manager will be allowed reasonable ability to flex time during said normal office hours as exchange hours.

- b. The employment provided for by this Agreement shall be the Town Manager's primary employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to the Town and the community, the Town Manager may elect to accept limited teaching, consulting or other business opportunities with the understanding that such arrangements must neither constitute interference with nor a conflict of interest with his or her responsibilities under this Agreement, and shall be subject to the provisions of Section 2, paragraph c of this Agreement.

6. Dues and Subscriptions. Subject to such amounts therefor as may be budgeted, the Town Board of Trustees, at its sole discretion, agrees to pay the professional dues and subscriptions of the Town Manager necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for the continued professional participation, growth and advancement, and for the good of the Town.

7. Professional Development. Subject to such amounts as may be budgeted, the Town Board of Trustees, in its sole discretion, agrees to allocate the time and pay the travel and subsistence expenses of the Town Manager, for professional and official travel, meetings, and occasions adequate to continue the professional development of the Town Manager and to adequately pursue necessary official and other functions for the Town including, but not limited to, the Annual Conference of the Colorado Municipal League; the Winter Conference of the Colorado City/County Management Association; the Annual Conference of the ICMA; and such other national, state, and local government groups and committees thereof which the Town Manager serves as a member and are related to his employment position with the Town of Grand Lake as approved by the Town Board of Trustees.

8. The Town also agrees to budget and pay for the travel and subsistence expenses of the Town Manager for short courses, institutes, and seminars which in the sole opinion of the Town Board of Trustees are necessary for his professional development and for the good of the Town.

9. Other Terms and Conditions of Employment.

- a. The Town Board of Trustees and Town Manager shall mutually agree to any such other terms and conditions of employment as they may determine from time to time, relating to the performance of the Town Manager, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Code of the Town, or any other law.
- b. The Town Board of Trustees shall conduct a performance evaluation with the Town Manager annually during the fourth quarter of the year. The evaluation shall be based on the requirements of the Manager's job description and Board direction given over the prior year and to determine goals for the coming year.

- c. To the extent permitted by law, Manager's review shall be a confidential personnel matter and shall not be subject to public disclosure. Nothing herein shall be construed to alter Manager's status as an at-will employee and the Board's failure to perform an annual review or provide comment, suggestion, or critique shall not modify its right to terminate Manager pursuant to the terms of this agreement.
- d. Based on a satisfactory annual performance review, effective the beginning of the next fiscal year (January 1) the base salary of the Manager shall increase at the same rate as the average of the budgeted annual salary increases for all the other exempt employees of the Town.

10. Indemnification. To the extent permitted by law, the Town Manager shall be defended and indemnified in his actions undertaken in his official capacity pursuant to all insurance coverages maintained by the Town and pursuant to the terms of the Colorado Governmental Immunity Act. The Town Manager shall, however, not be indemnified for any act or omission that is willful and wanton as those terms are defined in the Colorado Governmental Immunity Act.

11. Disability. If the Town Manager is unable to perform his duties for a period of twelve (12) consecutive weeks and/or cannot be reasonably accommodated, the Town shall have the option to terminate this Agreement subject to the Severance Pay requirements of Section 4 of this Agreement. The Town Manager shall also be compensated for any accrued but unused Vacation Leave.

13. 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:

To the Town: Mayor Stephan J Kudron
1026 Park Avenue
PO Box 99
Grand Lake, Colorado 80447

To the Town Manager: Guy P. Patterson

Alternatively, notice required pursuant to this Agreement may be hand delivered. Notice shall be deemed given as of the date of personal services or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

14. General Provisions.

- a. The text herein shall constitute the entire agreement between the parties.
- b. This Agreement shall be effective on June 3, 2024.

- c. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement shall be deemed severable, shall not be affected, and shall remain in full force and effect.

TOWN BOARD OF TRUSTEES OF THE TOWN
OF GRAND LAKE

Stephan J Kudron, Mayor

ATTEST:

Alayna Carrell, Town Clerk

Guy P Patterson