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To: Mayor Kudron and the Grand Lake Board of Trustees
From: John Crone, Town Manager
Re: Employment Contract with Town Manager
Date: February 27, 2023

Background

The Town Manager's employment contract is determined on an annual basis. Due to time constraints in approving a new contract for 2023, the Board and the Town Manager signed an extension of the contract in December 2022 that expires on February 28, 2023.

The Town Manager has requested that the parties enter into a contract that is substantially the same as the 2023 contract with an increased annual pay rate of \$130,000.

Motion

If the Board wishes to enter into an employment contract with John Crone for 2023, it may do so by adopting the following motion:

I move to instruct the Mayor to execute the employment contract with John F. Crone for the position of Town Manager at an annual pay rate of One Hundred and Thirty Thousand dollars (\$130,000).

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into as of this 27th day of February 2023, by and between the Town Board of Trustees of the Town of Grand Lake, State of Colorado, a municipal corporation (hereinafter “Town”), John F. Crone (hereinafter “Manager”), both of whom understand as follows:

WITNESSETH:

WHEREAS, the Town desires to employ the services of John F. Crone as Town Manager of the Town of Grand Lake, Colorado; and

WHEREAS, it is the desire of the Town Board of Trustees to provide certain benefits, establish certain conditions of employment, and to set working conditions of said Manager; and

WHEREAS, it is the desire of the Town Board of Trustees to:

1. Secure and retain the services of the Manager;
2. Provide inducement for him/her to remain in such employment;
3. Assure Manager’s morale and peace of mind with respect to future security;
4. Establish policy that will act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Manager; and,
5. To provide a just means for terminating Manager’s services at such time as he/she may be unable fully to discharge his/her duties or disability or when Town may desire to otherwise terminate his/her employ; and

WHEREAS, Manager desires to accept employment as Town Manager of said Town.

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

Section 1. – Duties.

Town hereby agrees to employ said Manager as Town Manager of said Town, and Manager agrees to perform such legally permissible and proper duties and functions as the Town Board of Trustees shall from time to time assign to Manager.

Section 2. – Term.

- A. The term of this agreement shall be for a period commencing on the January 1, 2023 and terminating on the December 31, 2023 subject to annual appropriation. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of the Town Board of Trustees to terminate the services of Manager at any time, subject only to the provisions set forth in Section 3, Paragraphs A, B, and C of this agreement.
- B. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of Manager to resign at any time from his/her position with the Town, subject only to the provision set forth in Section 3, Paragraph C, of this agreement.
- C. Manager agrees to remain in the employee of the Town and neither to accept, nor to become employed by any other employer without Board approval until termination of Manager, pursuant to Section 3. The term “employed” shall not be construed to include occasional teaching, writing, or consulting performed on Manager’s time off.

Section 3. – Termination and Severance Pay.

- A. Nothing within this agreement shall prevent, limit or otherwise interfere with the right of the Town to terminate the services of Manager. In the event Manager is terminated for any reason, other than conduct that is fraudulent or dishonest, conviction of a felony or crime involving moral turpitude under federal or state law, or failure by the Manager in any material way to fulfill or comply with his obligations under this Agreement, the Town agrees to pay Manager six (6) months salary, plus accrued benefits, as severance pay. Payment shall be made as a lump sum.
- B. In the event Manager voluntarily resigns his/her position with the Town then Manager shall give the Town a minimum of 45 days written notice in advance, or such lesser amount of advance notice as the parties otherwise mutually agree. The Manager shall not be entitled to, nor shall he receive severance pay in the event of voluntary resignation.
- C. In addition to any and all forms of compensation mentioned above, at the time of termination or of resignation, the Manager is entitled to receive and shall receive:
 - 1. Pay for all accrued time in the current pay period.
 - 2. Pay for all accrued vacation time, sick leave and floating holidays, per the Personnel Guidelines in effect at the time of termination or resignation, at the Manager's then current rate of pay.

Section 4. – Salary.

- A. For the period beginning January 1, 2023, and ending December 31, 2023, Manager shall be paid a salary of \$130,000.00 for his/her services payable in installments at the same time as other employees of the Town are paid.
- B. In addition, Town agrees to modify said base salary and/or other benefits of Manager in such amounts and to such an extent as the Town Board of Trustees may determine that it is desirable to do so on the basis of any annual salary review and performance evaluation of said Manager made at the same time as similar consideration is given other employees generally, and with due consideration for budgetary constraints.
- C. The parties recognize that this employment agreement is subject to annual appropriation and is therefore not a multiple fiscal year financial obligation of the Town subject to the limitations contained in Article X, Section 20(5)(b), Colorado Constitution.

Section 5. – Hours of Work.

- A. It is recognized that Manager must devote a great deal of time outside normal office hours to business of the Town, and to that end Manager will be allowed to use time off as he shall deem appropriate during said normal office hours. Time off taken in excess of one day shall only be taken with notice and advance approval of the Mayor.
- B. Manager shall not spend more than 10 hours per month in teaching, consulting, or other non-town connected business without the express prior approval of the Board of Trustees.

Section 6. – Dues and Subscriptions.

Subject to such amounts therefor as may be budgeted by the Town Board of Trustees, at its sole discretion, agrees to pay the professional dues and subscriptions of Manager necessary for his/her continuation in regional, state and local association and organizations necessary and desirable for his/her continued professional participation, growth, and advancement, and for the good of the Town. Should the Manager be required by Town

Council to join any civic organizations, the annual dues and affiliated expenses shall be paid at the Town's expense.

Section 7. – Professional Development.

Subject to such amounts therefor as may be budgeted by the Town Board of Trustees specifically for the Manager, in its sole discretion, the Town agrees to pay the travel and subsistence expenses of Manager for professional and official travel, meeting, and occasions adequate to continue the professional development of Manager and adequately pursue necessary official and other functions for the Town, including but not limited to regional, state, and local government groups and committees thereof which Manager serves as a member and are related to his/her employment position with the Town of Grand Lake.

Section 8. – General Expenses.

Subject to such amounts therefor as may be budgeted by the Town Board of Trustees, in its sole discretion, Town recognizes that certain expenses of a non-personal and generally job-affiliated nature are incurred by Manager, and hereby agrees to reimburse or pay said general expenses including but not limited to expenses for the benefit of the Town of Grand Lake or the furtherance of the Town's objectives or interests, not to exceed \$250 per month without prior approval of the Town Board.

Section 9. – Vacation.

The Manager shall accrue and shall have credited to his/her personal account, vacation at the same rate as all other Town of Grand Lake full-time employees, as outlined in the Town's Personnel Guidelines.

Section 10. - Compensatory Time.

The Manager is considered an exempt employee as defined in the FLSA and is not awarded any compensatory time for hours worked in excess of 40 per week with the exception as stipulated in Section 5(A) of this agreement.

Section 11. – Miscellaneous Benefits.

- A. The Manager shall have access to a Town automobile for Town business as permitted in the Employee Handbook. Should a Town vehicle be unavailable or the Manager elect to not utilize the Town vehicle for Town business, the Manager shall be reimbursed for use of his personal vehicle for Town business at the rate of \$0.65 per mile. The Manager shall not have access to a Town vehicle for personal use.
- B. The Town agrees to provide Manager a cell phone at Town expense.

Section 12. – Other Terms and Conditions of Employment.

- A. The Town Board of Trustees shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Manager, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement, the Ordinances of the Town, or any other law.
- B. All provisions of the Town Code, and regulations and rules of Town relating to vacations and sick leave, retirement and pension system contributions, holidays, and other fringe benefits and working conditions as they now exist or hereafter may be amended also shall apply to Manager as they would to other employees of the Town, unless specifically superseded by the terms of this agreement.

- C. The Board of Trustees shall conduct an annual performance evaluation with the Manager. The evaluation shall be based on mutually agreed performance indicators and standards that reflect the specific job duties of the position. The purpose of the evaluation shall be:
1. To determine goals for the next twelve months;
 2. To review the performance of the Manager based on the previously agreed job indicators;
 3. To use as one basis for determining the compensation of the Manager for the succeeding year.
- D. The Parties acknowledge and agree Section 2-7-1 of the Grand Lake Municipal Code requires the Manager to reside within the Town during his tenure. The Parties acknowledge and agree the Manager has made substantial steps in fulfilling this requirement, including purchasing real property within the Town to construct a residence, however, due to circumstances beyond the Parties control, including, but not limited to supply chain issues, COVID-19 pandemic, and shortage of contractors due massive wildfires, the Manager has not been able reside within the Town. The Parties therefore agree to suspend the residency provision of the Code until at least December 31, 2023.

Section 13. – General Provisions.

- A. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Manager.
- B. This Agreement shall be binding upon the signing by both parties and shall take effect January 1, 2023.
- C. Except as expressly provided to the contrary in the agreement, the manager is subject to the personnel guidelines of the Town of Grand Lake.
- D. 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.

FOR THE MANAGER:
BY:

FOR THE TOWN OF GRAND LAKE
BY:

John F. Crone, Town Manager

Steve Kudron, Mayor