

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: IA

Title:

Motion to Approve a Resolution Authorizing and Directing the Mayor to Execute and the City Clerk to Attest to the Execution of a Certain Extension of the Employment Agreement with Mark W. Koenen, City Administrator

Presenter:

Mayor Raymond P. Rogina

Meeting: City Council

Date: May 6, 2019

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted: **Executive Summary** *(if not budgeted please explain):*

An employment agreement for Mark Koenen as City Administrator was entered on August 19, 2013 through May 1, 2017. At this time a request has been made to extend the Employment Agreement through May 15, 2020.

Attachments *(please list):*

Resolution

Extension of Employment Agreement

Recommendation/Suggested Action *(briefly explain):*

Motion to approve a Resolution Authorizing and Directing the Mayor to Execute and the City Clerk to Attest to the Execution of a Certain Extension of the Employment Agreement with Mark W. Koenen, City Administrator.

CITY OF ST. CHARLES, ILLINOIS

RESOLUTION NO. 2019-_____

A RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AND THE CITY CLERK TO ATTEST TO THE EXECUTION OF A CERTAIN EXTENSION OF THE EMPLOYMENT AGREEMENT WITH MARK W. KOENEN, CITY ADMINISTRATOR

BE IT RESOLVED by the CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DU PAGE COUNTIES, ILLINOIS as follows:

Section 1: That the Mayor is hereby authorized and directed to execute on behalf of the City of St. Charles that certain Extension of Employment Agreement, in substantially the form attached hereto and incorporated herein as Exhibit A, by and on behalf of the CITY OF ST. CHARLES.

Section 2: That, on behalf of the City of St. Charles, the City Clerk is hereby authorized and directed to attest the Mayor's execution of said Extension of Employment Agreement.

Section 3: That this Resolution shall be in full force and effect from and after its adoption and approval as provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois this 6th day of May, 2019.

PASSED by the City Council of the City of St. Charles, Illinois this 6th day of May, 2019.

APPROVED by the Mayor of the City of St. Charles, Illinois this 6th day of May, 2019.

Mayor Raymond Rogina

Attest:

Charles Amenta
City Clerk

Council Vote:

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

“EXHIBIT A”

EXTENSION OF EMPLOYMENT AGREEMENT

WHEREAS, **The City of St. Charles**, State of Illinois, a municipal corporation (“Employer”) and **Mark W. Koenen**, (“Employee”) entered into a certain Employment Agreement on August 19, 2013; and,

WHEREAS, the term of the Employment Agreement was from August 19, 2013 through May 1, 2017; and,

WHEREAS, on May 1, 2017, **The City of St. Charles** and **Mark W. Koenen** entered into an Extension which extended the Employment Agreement dated August 19, 2013 through May 1, 2018; and

WHEREAS, on May 7, 2018, **The City of St. Charles** and **Mark W. Koenen** entered into an Extension of Employment Agreement which extended The Employment Agreement dated August 19, 2013 through May 15, 2019; and,

WHEREAS, **The City of St. Charles** and **Mark W. Koenen** deem it to be in their respective best interests to extend the Employment Agreement for an additional period of one (1) year.

NOW THEREFORE, in consideration of the foregoing, **The City of St. Charles**, and **Mark W. Koenen** agree that the Employment Agreement dated August 19, 2013 shall be extended through May 15, 2020, and that all provisions of the Employment Agreement will remain in full force and effect until that date with the exception of the following amended Paragraph B2 of Section III of that Agreement which is amended to conform to the requirements of 5 ILCS 415/10. The following shall be substituted for Paragraph B2 of Section III of that Agreement (Termination and Severance Pay):

“B. Severance Pay

2. In the event that the Employer terminates Employee pursuant to Section III. A. 1., the Employer shall be obligated to pay to the Employee the Severance Pay. The Severance Pay shall be equal to payment of salary and benefits defined in Section III B. 1. above for a period of twenty (20) weeks subject to the limitations otherwise set forth in this Agreement. The maximum amount of Severance Pay which may be paid to the Employee will be equal to twenty (20) weeks of his compensation and benefits as defined by, and limited to, the definition of Severance Pay set forth above. The rate of compensation and benefits comprising the Severance Pay shall be the rate of compensation and benefits in effect as of the effective date of the Employee’s termination. The payment of Severance Pay shall commence immediately upon

termination or the expiration of this Agreement and shall be paid in bi-weekly payments in the same manner as pertains to all other exempt employees of the City.

Should Employee secure other employment during the period within which the employee is entitled to receive Severance Pay, the Employee shall be obligated to immediately notify the Employer of such employment and the amount of compensation and benefits being received by the Employee in Employee's new position. Subject to the following limitations, Employee's right to receive Severance Pay, and the Employer's obligation to make Severance Pay payments, shall cease as of the date on which Employee's new employment is to commence provided that the Employee shall be employed at a rate of compensation and benefits which, in the aggregate, are equal to or exceed the Employee's rate of compensation and benefits as of the date of Employee's termination or the expiration of this Agreement. Should that date fall within any payment period applicable to the payment of the Severance Pay, such payment shall be prorated proportionately. The Severance Pay provisions contained herein are intended to provide the Employee with sufficient economic security during the time within which he is seeking alternative employment.

Notwithstanding the foregoing, should Employee obtain employment at levels of compensation and benefits lower than those being paid to the Employee at the time of Employee's termination or the expiration of this Agreement, then the Employer shall continue to be obligated to pay to the Employee a portion of the Severance Pay equal to the difference between the Employee's Severance Pay (the aggregate of both Employee's rate of compensation and benefits) and the lower level of aggregate compensation and benefits being paid to the Employee in Employee's new position.

However, and notwithstanding the foregoing, the Employer shall not be obligated to provide Employee with Severance Pay if Employee's employment is terminated for any of the following reasons:

- a. Should the Employee be convicted of, or plead guilty to, any illegal act involving personal gain to the Employee related to his duties as City Administrator; or
- b. Should the Employee be convicted of, or plead guilty to, any felonious act; or
- c. Should the Employee engage in any misconduct involving moral turpitude; or
- d. Should the Employee engage in gross misconduct; or
- e. Should the Employee engage in gross negligence.

Before making any final determination that the Employee is ineligible for Severance Pay for any of the reasons set forth above, the Employer shall notify the Employee of the fact that his termination is under consideration and as to which one of more of the five specific grounds herein identified, if any, are relied upon by the Employer as justification for the non-payment of the Severance Pay. The Employee shall be afforded a reasonable opportunity to be heard in a closed session meeting of the City Council to the extent permitted or required by law.

The Employee shall not be due any Severance Pay in the event that the Employee terminates employment pursuant to Section III. A. 2."

IN WITNESS WHEREOF, **The City of St. Charles** has caused this Extension of Employment Agreement to be signed and executed on its behalf by its Mayor, and duly attested by its City Clerk, and the Employee has signed and executed this Extension of Employment Agreement, both in duplicate, as of the dates set forth below.

Raymond Rogina,
Mayor
Date: _____

Mark W. Koenen
City Administrator
Date: _____

Attest:

Charles Amenta
City Clerk
Date: _____

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Raymond Rogina,
Mayor
Date: _____

Mark W. Koenen
City Administrator
Date: _____

Attest:

Charles Amenta
City Clerk
Date: _____