

3/9/2017

ORDINANCE NO. 2017-_____

**AN ORDINANCE PROVIDING FOR AN AMENDED
EMPLOYMENT AGREEMENT AND SALARY
FOR THE VILLAGE MANAGER**

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and

WHEREAS, the Corporate Authorities of the Village of Buffalo Grove by Ordinance No. 2014-36 approved an Employment Agreement dated April 21, 2014 between the Village of Buffalo Grove and Dane C. Bragg; and

WHEREAS, the Corporate Authorities and Dane C. Bragg wish to enter into a 2017 Employment Agreement; and

WHEREAS, said 2014 Employment Agreement provides for annual adjustments to the salary of Village Manager Dane C. Bragg.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT and BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, LAKE and COOK COUNTIES, ILLINOIS, as follows:

Section 1. The foregoing recitals are hereby adopted and incorporated into and made a part of this Ordinance as if fully set forth herein.

Section 2. Pursuant to the 2014 Employment Agreement, the Village Board awards additional performance compensation to Dane C. Bragg, as Village Manager of the Village of Buffalo Grove, for achievements in the year 2016, in the amount of \$22,250.00, payable upon passage of this Ordinance.

Section 3. The 2017 Employment Agreement between the Village of Buffalo Grove and Dane C. Bragg, attached hereto as Exhibit A, is hereby approved.

Section 4. The 2014 Employment Agreement is hereby superseded by the attached 2017 Employment Agreement.

Section 5. The Village President is hereby authorized to execute the attached Agreement.

Section 6. This ordinance shall be effective upon its passage and approval. This ordinance shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2017.

3/9/2017

APPROVED: _____, 2017.

APPROVED:

Village President

ATTEST:

Village Clerk

2017 VILLAGE MANAGER EMPLOYMENT AGREEMENT

This Agreement ("Agreement") is made and entered into as of the _____ day of _____, 2017, by and between the Village of Buffalo Grove, an Illinois home rule municipal corporation ("Village") and Dane C. Bragg ("Manager").

RECITALS

WHEREAS, the Village Board offered, and the Village Manager accepted and commenced, service as the chief administrative officer of the Village of Buffalo Grove on or about September 7, 2010 pursuant to an Employment Agreement dated July 14, 2010; and

WHEREAS, the Village Board by Ordinance No. 2014-36 approved an Employment Agreement dated April 21, 2014 between the Village of Buffalo Grove and Dane C. Bragg ("2014 Employment Agreement") which Agreement superseded the 2010 Employment Agreement; and

WHEREAS, specific salary levels and bonuses were subsequently set by the Village Board in accordance with the terms and conditions of the 2014 Employment Agreement, with the latest salary ordinance being Ordinance No. 2016-31; and

WHEREAS, the Village desires to continue the employment of Dane C. Bragg as Village Manager of the Village; and

WHEREAS, Dane C. Bragg desires to continue his employment as Village Manager; and

WHEREAS, it is the purpose and intent of the Board and Dane C. Bragg to extend the Village Manager's employment for a period of four years beginning on and from the date of adoption of this Agreement and subject to the terms below; and

WHEREAS, the Board specifically waives, pursuant to its home rule authority, those certain provisions of the Illinois Municipal Code at 65 ILCS 5/3.1-30-5 and 65 ILCS 5/8-1-7, as same may be applicable to the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and conditions set forth below, and other good and valuable considerations, the receipt and sufficiency of which are mutually acknowledged by the parties hereto, the Village and the Manager hereby agree as follows:

SECTION I - RECITALS

The foregoing recitals are hereby incorporated into and are deemed to be an integral part of this Agreement.

SECTION 2 – DUTIES

Manager shall perform the functions and duties specified for the Village Manager as more fully described under Chapter 2.08 of the Village of Buffalo Grove Municipal Code, as may be amended from time to time and shall perform other legally permissible and proper duties and functions as the Board may assign.

SECTION 3 - EMPLOYMENT

This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until (i) terminated by the Board, (ii) terminated by the Manager, or (iii) not renewed by the Board, all as set forth below. During the term of this Agreement, Manager shall be in the exclusive employ of the Village and shall not accept other employment or carry out any other business except that of the position of Village Manager, without prior written consent and approval of the Board.

SECTION 4 - SALARY

A. Manager's current base salary for the year 2016 for services rendered pursuant to Ordinance No. 2016-31 was \$192,500.00, and is subject to the Board, in its sole discretion, awarding a performance bonus based on achievement of specified goals contemplated in the 2016 performance evaluation.

B. For the year 2017, the Manager's annual salary will be \$221,375.00.

C. For the year 2018, the Manager's annual salary will be \$254,581.00.

D. For the year 2019, the Manager's annual salary will be \$267,310.00.

E. For the year 2020, the annual salary will be determined at a later date by the Village Board in accordance with the terms and conditions of this Agreement and the requirements of the law.

F. The Board may, from time to time and in its sole discretion, establish a performance bonus in addition to the base salary prescribed in Sections 4.B., 4.C., 4.D., and 4.E. on the basis of the Manager's performance evaluations as set forth in Section 12 below.

G. Said salary is payable in installments at the same time as other employees of the Village are paid.

H. The Manager will have the option of choosing to defer a portion of his compensation in accordance with Section 13 of this Agreement.

SECTION 5 - TERM AND TERMINATION

A. Unless sooner terminated in accordance with the terms set forth herein, the Term of this Agreement will be for an initial period of forty-eight (48) months from its date of adoption by the Board.

This Agreement will automatically renew for an additional period of twelve (12) months from the last date of the prior term (Renewal Term) unless notification is provided in writing by either party not less than two-hundred-seventy (270) days prior to the ending date of the existing Term.

B. This Agreement may be terminated by the Board with cause at any time, subject only to the provisions set forth in Section 6 of this Agreement.

C. Either party may terminate this Agreement, at any time, without cause upon not less than ninety (90) days prior written notice to the other party. If the Board notifies Manager of its intent to terminate the Agreement without cause, the Village shall provide Manager with severance pay in the amount noted in Section 7 of this Agreement.

D. This Employment Agreement supersedes that Employment Agreement between the Village and the Manager, dated April 21, 2014.

SECTION 6 - SEVERANCE WITH CAUSE

A. In the event the Board terminates the Manager with cause, no severance pay will be paid to Manager, but Accrued Benefits (defined below) shall be paid as required by Law. For the purposes of this Agreement, "with cause" shall mean that the Board, at a duly noticed public meeting, has determined that Manager has (i) committed an act of gross insubordination by refusing to take a legal, valid action that is clearly within the scope of his employment when specifically directed to do so by a majority of the Board at a duly noticed public meeting; or (ii) Manager has been charged with, and convicted of, a felony as defined under the Illinois Compiled Statutes (in the event that Manager is charged with a felony, the Board may, in its sole discretion, choose to suspend Manager with pay during the pendency of any such prosecution); or (iii) Manager has knowingly caused or knowingly allowed any practice, activity, decision or organizational circumstance which is either illegal, immoral, or in violation of the Village's Code of Ethics, the Village's Code of Behavior and Conduct For Village Elected and Appointed Officials or subject to censure under the ICMA Code of Ethics.

B. In the event the Board makes a determination that "cause" exists, as set forth in this Section, the Board may, in its sole discretion, as an alternative to termination, utilize progressive discipline or suspend Manager with or without pay for a period of up to thirty (30) days.

SECTION 7 - SEVERANCE WITHOUT CAUSE

A. In the event the Board terminates the Manager without cause, or the Manager resigns upon an offer to accept his resignation, whether formal or informal, by request of the Board or its designated representative who has been authorized by a majority of the Board, Manager shall be entitled to severance pay as follows:

- If terminated without cause, pay in the amount equal to 60% of Manager's annual base salary at the time of such termination.

B. Manager shall also be entitled to compensation for all earned sick leave (paid into Village's Retirement Health Savings Account), vacation earned but unused, and other accrued benefits to date (collectively, "Accrued Benefits"), calculated based on Manager's annual base salary at the time of termination and/or in conformance with the Village's Personnel Manual.

C. Any payment as part of severance pay hereunder is expressly conditioned upon Manager's execution of a release of any and all claims Manager has or may have against the Village, its employees and the Board.

D. Any and all payments made by Village to Manager due to termination without cause shall be made to Manager based upon a mutually agreeable schedule so as to minimize any federal and state income tax liabilities. However, if unable to mutually agree, any final payment shall be made in a lump sum, payable within 14 days following termination.

E. Board will annually appropriate a fair amount within the context of its annually adopted Annual Budget so as to legally bind the Village to its obligations set forth herein.

SECTION 8 - VOLUNTARY RESIGNATION – RESTRICTIVE COVENANTS

Manager acknowledges that the Village has invested substantial resources into his professional development. As a result of this investment and his own achievement, Manager has become one of the principal representatives of the Village in all of its various business dealings, and as a representative with the community. Manager further acknowledges that in his role he has formed long-term relationships with numerous members of the business and local government community and serves as the primary agent in the execution of multiple long-term initiatives to the benefit of the Village. Thus, to adequately protect the business interests of the Village and to maintain continuity of operations and leadership, Manager agrees that if he submits his voluntary resignation to the Village during the Term of this Agreement, he shall neither seek nor accept employment as manager, administrator, or equivalent position for any other municipality that has a boundary within 25 miles of any Village boundary for a period of one year. The aforementioned one year restrictive covenant shall not extend beyond the Term of this Agreement.

The restrictive covenant herein shall not apply if the Board exercises its right to a) not renew this Agreement, or b) to terminate the Manager, in accordance with the terms of Section 5 of this Agreement.

Manager shall not be entitled to any severance pay benefits if his resignation is voluntary. However, Manager shall still be entitled to all Accrued Benefits as of the date of such voluntary resignation.

SECTION 9 - INSURANCE COVERAGE

A. Manager shall be covered by the same health, dental and disability plans as all other Village employees, and that coverage shall be in full force and effect immediately upon the date of this Agreement.

B. During the Term of this Agreement, the Village shall continue to maintain the existing life insurance policy for Manager as provided to all other Village employees, the death benefits of which are equal to an amount which is one (1x) times Manager's annual base salary, as adjusted from time to time. Manager shall have the sole and exclusive right to name the beneficiaries of said policies.

SECTION 10 - AUTOMOBILE AND CELLULAR TELEPHONE

A. The Village shall provide an automobile allowance to Manager in the amount of \$500 per month during the term of this Agreement. Said automobile allowance is intended to provide for Manager's costs to own and operate a vehicle and as such, Manager will not be eligible for the reimbursement for gasoline, maintenance or per mile rate allowances in effect from time to time under Internal Revenue Service regulations. However, if Manager is to use his vehicle to travel on Village business greater than 50 miles outside of the Chicago metropolitan area, and it has been determined that the cost to travel by vehicle is less than to cost to travel by air or other means, then the Village shall reimburse the Manager for the cost of fuel purchased in the course of that travel, as documented. The Manager shall carry liability, property damage and comprehensive insurance, with limits approved by the Village, for the vehicle for which the allowance is provided, and shall name the Village as an additional insured on the insurance policy.

B. The Village shall provide a cellular communications device to Manager, such as a cell phone or other electronic device (the latter based upon the Village's chosen medium for such communications) and a laptop computer and home VPN network connection for both business and his

exclusive and reasonable personal use during the term of his employment under this Agreement.

SECTION 11 - LONGEVITY PAY

Manager shall be entitled to Longevity Pay as set forth in the Village's Personnel Manual as amended from time to time.

SECTION 12 - PERFORMANCE EVALUATION

A. The Board shall annually review and evaluate Manager's performance as of April 1st of each calendar year that this Agreement is in force. Manager's review and evaluation shall be in accordance with specific criteria developed jointly by the Board and Manager. Said criteria may be amended from time to time by the Board, in consultation with Manager. The Board shall provide Manager with a summary of the results of the review and provide him with an adequate opportunity to discuss his evaluation with the Board in closed session, as permitted by law.

B. The Manager and Board shall annually define such goals and performance objectives which they determine necessary or prudent for the proper operation of the Village and the attainment of the Board's policy goals and objectives, and they shall further establish a relative priority among those various goals and objectives, which shall generally be attainable within the time limitations specified and within the limitations of the Village's Annual Budget and Capital Improvement Plan.

SECTION 13-DEFERRED COMPENSATION AND RETIREMENT BENEFITS

A. Manager acknowledges that the Village is a member of, and its employees are participants in, the ICMA Retirement Corporation (ICMA/RC) and as such, can participate in the deferred compensation programs offered by ICMA/RC. Any contributions to ICMA/RC are to be personally made from the Manager's annual base salary with no contributions made by the Village over and above what the Manager may personally contribute. The Village shall pay the employer share and the Manager shall pay the employee share of any tax or pension liability associated with the Manager's elective contributions.

B. Manager shall be covered and governed by the same retirement system (Illinois Municipal Retirement Fund) as all other non-public safety Village employees. Calculations for retirement contributions shall include all compensation normally reported to the Internal Revenue Service and the Illinois Municipal Retirement Fund by the Village.

SECTION 14 - VACATION, SICK AND SPECIAL LEAVE

A. The Manager shall accrue 2.08 days of vacation leave per month for his personal use. The Manager shall periodically consult with the Village President in scheduling vacation leave consistent with the Village's business needs.

B. The Manager may convert and receive compensation in whole or in part for accrued but unused vacation leave. Unless specifically approved in advance by the Board, the conversion shall not exceed 20 percent of the total days accrued over the prior 24 month period.

C. Manager will accrue sick leave, and may redeem same, in the same manner as all other Village employees, as set forth in Chapter 13.00 of the Village's Personnel Manual.

D. Manager shall be eligible for Special Leave as set forth in Chapter 14.00 of the Village's Personnel Manual.

SECTION 15 - DUES AND SUBSCRIPTIONS

The Village agrees to budget for and to pay for Manager's reasonable professional dues and subscriptions necessary for his continuation and full participation in national, regional, state and local associations and organizations as a result of his employment as Village Manager, and for other necessary and desirable expenses for his continued professional participation, growth, education and advancement, for the good of the Village.

SECTION 16 - PROFESSIONAL DEVELOPMENT

A. Subject to prior approval of the Board, the Village hereby agrees to budget for and to pay for Manager's reasonable registration fees and travel expenses as authorized in the Village's Personnel Manual (Chapter 18.00) related to professional and official travel, meetings, and occasions it deems necessary to continue his professional development and to adequately pursue necessary official functions of the Village, including but not limited to, the ICMA Annual Conference, the Illinois City/County Management Association summer and winter conferences, and such other national, regional, state and local governmental groups and committees thereof upon which Manager may serve as an officer or member.

B. Subject to prior approval of the Board, the Village also further agrees to reasonably budget for and to pay for registration and travel expenses for short course, institutes and seminars deemed necessary for Manager to maintain his required professional development and education as set forth from time to time as requirements of achieving the ICMA Credentialed Manager program, and maintaining the AICP Certification Program, and for the good of the Village.

SECTION 17 - CIVIC ORGANIZATION MEMBERSHIP

The Board recognizes the desirability of representation in and before local civic and other organizations, and Manager is authorized to become a member of such civic clubs or organizations, should he so desire and upon agreement as to membership by the Village, and the Village, shall pay all expenses, upon the Board's approval of such membership. Civic club membership shall not include memberships in any public or private clubs. The Village Board has previously authorized civic membership in the Rotary Club of Buffalo Grove through Resolution No. 2010-41, approved on December 6, 2010.

SECTION 18 - GENERAL EXPENSES

A. The Village recognizes that certain expenses of a non-personal and generally job-affiliated nature will be periodically incurred by Manager. The Village agrees to reimburse Manager for these general expenses or to pay said general expenses directly. The Village herein authorizes its Director of Finance and General Services to submit for payment on the Village Warrants reimbursement of expenses referenced herein to Manager or to pay said expenses directly to the vendor based upon receipt of duly executed expense or petty cash vouchers, receipts, statements or personal affidavits.

B. The Village shall provide the Manager a credit card for his reasonable travel and related expenses. The Manager shall only use the credit card for Village business and related purposes and no personal charges or expenses shall be charged to the credit card.

SECTION 19 - BUDGET AND APPROPRIATION OF FUNDS

Manager understands that the Board retains, in its sole discretion, the authority to approve both

the annual budget and appropriation of funds for the purpose of providing all of the employment benefits set forth in this Agreement.

SECTION 20 - INDEMNIFICATION

In addition to that required under state and local law, the Village shall defend, save harmless, and indemnify Manager from and against any tort, professional liability claim, or demand or other legal action, whether groundless or otherwise, arising out of an alleged act of omission occurring in the performance of Manager's duties as prescribed by the Village of Buffalo Grove Municipal Code or the separate directions of the Board. The Village shall have the right to compromise, settle or litigate any such claim or suit, and pay the amount of any settlement or judgment rendered thereon.

SECTION 21 - BONDING

The Village shall bear the full cost of any fidelity or other bonds required of the Manager under any law or ordinance.

SECTION 22 - NO REDUCTION OF BENEFITS

The Board shall not, at any time during the term of this Agreement, reduce Manager's salary, compensation or other financial benefits. Manager does agree, however, to a reduction of benefits if necessary and fairly applied to other employees of the Village if affected so as to maintain the economic and fiscal viability of the Village as a whole or to properly manage and execute any of its programs of benefits.

SECTION 23 – NOTICES

Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below; (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below; (iii) transmitted by facsimile prior to 4:00 P.M. on any business day, with a hard copy to be deposited in the U.S. Mail on the date of the facsimile transmission; or (iv) given to a recognized and reputable overnight delivery service, to the address or facsimile number set forth below:

If to Manager: Dane C. Bragg
2917 Whispering Oaks Drive
Buffalo Grove, Illinois 60089

Copy: Mr. Daniel Alcorn
Alcorn Karlin LLC
313 East Main Street
Galesburg, Illinois 61401

If to Village: Beverly Sussman, Village President
50 Raupp Boulevard
Buffalo Grove, Illinois 60089

Copy: Village Clerk
50 Raupp Boulevard
Buffalo Grove, Illinois 60089

Village Attorney William Raysa
Tressler, LLP
233 S. Wacker Drive, 22nd Floor
Chicago, Illinois 60606

or at such other address or facsimile number, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section.

SECTION 24 - GENERAL PROVISIONS

A. This Agreement shall constitute the entire agreement between the parties hereto pertaining to the subject matter herein. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded.

B. No amendment or waiver of any provision of this Agreement will be binding on the Village or Manager unless and until it has been reduced to writing and executed by the Village President, as may be authorized by the Board, and Manager.

C. This Agreement is adopted pursuant to the Village's home rule authority, in accordance with Article VII, Section 6(a) of the Constitution of the State of Illinois of 1970.

D. This Agreement shall become effective upon adoption and approval by the Board.

E. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Village or Manager of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

F. In the event either party finds it necessary to bring any action at law or other proceeding against the other party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach of default hereunder, the party prevailing in such action or other proceeding shall be paid all reasonable costs and reasonable attorneys' fees by the other party and, in the event any judgment is secured by said prevailing party, all such costs and attorneys' fees shall be included therein, such fees to be set by the court and not the jury.

G. Manager acknowledges that this Agreement is not all inclusive of the policies, rules, benefits and practices of the Village as included within the Village's Personnel Manual as currently adopted and as amended from time to time and as such, acknowledges that his personal conduct relative to his employment is governed by the Village's Personnel Manual.

H. The descriptive headings of the Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

I. Each of the parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

J. Time is of the essence in this Agreement.

K. This Agreement may not be assigned, in whole or in part.

L. This Agreement is entered into in Illinois and shall be construed and interpreted under the laws of the State of Illinois.

M. Every provision of this Agreement is and will be construed to be a separate and independent covenant. If any provision in this Agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this Agreement or the application of the provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability. Each provision in this Agreement will be valid and will be enforced to the extent permitted by law and the parties will negotiate in good faith for such amendments to this Agreement as may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

N. In exercising their rights and in performing their obligations pursuant to this Agreement, the parties will cooperate with one another in good faith to ensure the intent of this Agreement can be attained.

O. The Board, in consultation with Manager shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to Manager's performance as an employee, provided however, that such terms and conditions are reasonable and not inconsistent or in conflict with the provisions of this Agreement.

P. Except as may be specifically noted herein for Manager, all other provisions of the Village of Buffalo Grove Municipal Code as currently exist or as may hereafter be amended, shall apply to Manager as they would to other employees of the Village.

IN WITNESS WHEREOF, Dane C. Bragg has signed and executed this Agreement as of the day and year first above written, and the Village of Buffalo Grove has caused this Agreement to be signed and executed on its behalf by its Village President as of the day and year first above written.

Village of Buffalo Grove, an Illinois
Home Rule Municipal Corporation

By: _____
Beverly Sussman, Village President

Dane Bragg

#682885