



**CITY OF GROSSE POINTE WOODS**  
**20025 Mack Plaza Drive**  
**Grosse Pointe Woods, Michigan 48236-2397**

(313) 343-2440  
Fax (313) 343-2785

**NOTICE OF MEETING**

COMMISSIONS:	COMMITTEES:	BOARDS:
Beautification Advisory	Building Authority	Board of Canvassers
Citizens' Recreation	Cable TV Ad Hoc	Board of Review
Community Tree	Compensation & Evaluation	X Construction Board of Appeals
Historical	Construction	Community Enhancement Fund
Local Officers Compensation	Finance	Downspout Board of Appeals
Planning	Fireworks	Pension
Senior Citizens'	Judicial Liaison	
	Mack Ave Business Study	
	Public Relations	

PUBLIC INVITED: IN ACCORDANCE WITH PUBLIC ACT 267 OF 1976 (OPEN MEETINGS ACT), ALL MEMBERS OF THE GROUP SELECTED ABOVE, AS WELL AS THE GENERAL PUBLIC, ARE INVITED TO ATTEND THE FOLLOWING MEETING ON **Monday, May 16, 2016, at 8:00 P.M.** IN THE **CONFERENCE ROOM** AT CITY HALL, 20025 MACK, GROSSE POINTE WOODS.

**AGENDA OF MEETING**

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Approval of Minutes: 04-25-16
5. Review Proposed City Administrator Contract
  - a. Letter 05/12/16 – City Administrator
  - b. Proposed Employment Agreement of City Administrator
6. New Business/Public Comment
7. Immediate Certification of Minutes
8. Adjournment

cc:

Bryant  
Novitke

McConaghy  
Hathaway

File  
Post

Submitted by: Art Bryant

Office Held: Chair

Telephone: 313 343-2440

Compensation and Evaluation Committee  
April 25, 2016

MINUTES OF THE MEETING OF THE COMPENSATION AND EVALUATION COMMITTEE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, APRIL 25, 2016, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Chair: Council Member Arthur Bryant  
Members: Mayor Robert E. Novitke, Council Member Todd A. McConaghy

ABSENT: None

ALSO PRESENT: None

The meeting was called to order by Chair Bryant at 7:00 p.m.

Motion by Novitke, second by McConaghy, that all items on tonight's agenda be received, placed on file, and taken in order of appearance.

Motion carried by the following vote:

Yes: Bryant, McConaghy, Novitke

No: None

Absent: None

Motion by McConaghy, seconded by Novitke, to approve the minutes of the meeting of 4-11-16.

Motion carried by the following vote:

Yes: Bryant, McConaghy, Novitke

No: None

Absent: None

A discussion on compensation and evaluation took place. At the conclusion, votes were taken on the following three motions:



Motion by McConaghy, second by Novitke, to recommend to the Grosse Pointe Woods City Council to extend the contract of the City Treasurer/Comptroller from July 1, 2016 through June 30, 2017 with no increase in compensation or benefits.

Motion carried by the following vote:

Yes: Bryant, McConaghy, Novitke  
No: None  
Absent: None

Motion by McConaghy, second by Novitke, to recommend to the Grosse Pointe Woods City Council to extend the contract of the City Clerk from July 1, 2016 through June 30, 2017 with no increase in compensation or benefits.

Motion carried by the following vote:

Yes: Bryant, McConaghy, Novitke  
No: None  
Absent: None

Motion by McConaghy, second by Novitke, to recommend to the Grosse Pointe Woods City Council to extend the contract of the City Attorney from July 1, 2016 through June 30, 2017 with no increase in compensation or benefits, with continuation of medical and prescription coverage as presently exists with the City Attorney, with City Attorney being responsible for the hard cap cost and/ or any other charges associated with providing medical and prescription coverage to city employees, and that the City Attorney is responsible for payment of dental coverage if he elects such coverage.

Motion carried by the following vote:

Yes: Bryant, McConaghy, Novitke  
No: None  
Absent: None

There was a consensus that the committee concurs with the recommendation of the finance committee as stated in its minutes dated April 4, 2016 regarding dental coverage of City Attorney.

Discussions took place regarding meeting with Director of Public Safety Bruce Smith regarding a City Administrator contract.

Motion by McConaghy, seconded by Novitke, that the meeting be adjourned at 7:30 p.m.

Respectfully submitted,

Arthur Bryant

DON R. BERSCHBACK  
ATTORNEY AND COUNSELOR AT LAW  
24053 JEFFERSON AVENUE  
ST. CLAIR SHORES, MICHIGAN 48080-1530

(586) 777-0400  
FAX (586) 777-0430  
E-MAIL donberschback@yahoo.com

OF COUNSEL  
CHARLES T. BERSCHBACK

May 12, 2016

Art Bryant  
Chairman, Comp and Eval  
20025 Mack Plaza  
Grosse Pointe Woods, MI 48236

RECEIVED  
MAY 12 2016  
CITY OF GROSSE POINTE WOODS

RE: Proposed Employment Agreement of City Administrator

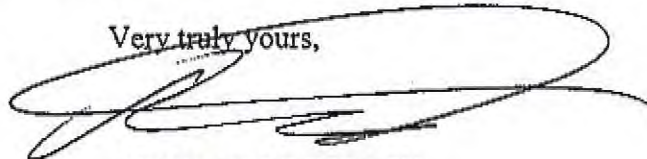
Dear Mr. Chairman:

After a brief discussion with Members of your Committee and after meeting with Director Smith on May 3, 2016 and May 10, 2016, I am including a proposed Employment Agreement for your consideration. It is my understanding that you will be setting up a meeting with Director Smith to finalize the Agreement. Once your Committee has finalized its recommendation, the Employment Agreement would be referred to the City Council. A few comments are in order:

1. The base salary is left blank.
2. There is no City car furnished nor is there a car allowance.
3. The contract would begin July 1, 2016 and would run through June 30, 2017 but it is an "at will" contract.
4. The Committee would need to "fill in the blank" for days of vacation pay. Director Smith has suggested 25 working days.
5. There are no pension benefits – just the 8% contribution to an ICMA – RC457 plan.
6. In exchange for medical and prescription drug coverage, Director Smith has advised that he will elect the "opt out coverage" – currently \$3,000.00 per year.
7. The City would provide optical and dental coverage.
8. He would be subject to unpaid furlough days as all other salaried employees.

It is my understanding that a meeting will be set up with Director Smith on May 16, 2016 to discuss and finalize this proposed Agreement which will be effective July 1, 2016.

Very truly yours,



DON R. BERSCHBACK

DRB:nmg  
Enclosures

cc: Mayor Robert E. Novitke  
Todd McConaghy



**City of Grosse Pointe Woods**

**CITY ADMINISTRATOR**

**EMPLOYMENT AGREEMENT**

THIS AGREEMENT, signed this \_\_\_\_ day of \_\_\_\_\_, 2016, by the CITY OF GROSSE POINTE WOODS, State of Michigan, a municipal corporation, hereinafter called the "City", and BRUCE J. SMITH hereinafter called "SMITH" both of whom agree as follows:

**WITNESSETH:**

**WHEREAS**, the City will employ the services of SMITH as City Administrator of the City of Grosse Pointe Woods as provided by the City Charter, Code and state law; and,

**WHEREAS**, it is the desire of the City to provide certain benefits, establish certain conditions of employment and to set working conditions of said employment; and,

**WHEREAS**, SMITH agrees to the terms and conditions of this Employment Agreement as City Administrator.

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

**Section 1 – DUTIES:**

City agrees to employ SMITH as City Administrator of said City to perform the functions and duties which are expressed and implied in the Charter and/or Code of the City of Grosse Pointe Woods and all those other functions and duties which are implicit by virtue of the nature of his office. SMITH shall also perform such other legally permissible and proper duties and functions as the City Council, the City Code, and the City Charter shall, from time to time, assign. SMITH shall maintain any required licenses and/or levels of certification necessary for the performance of such duties as a condition of continued employment with the City.

**Section 2 – SALARY:**

The City agrees to pay SMITH at the rate of an annual base salary of One Hundred \_\_\_\_\_ Thousand and 00/100 (\$1\_\_\_\_,000.00) dollars, effective July 1, 2016 payable in installments at the same time as other employees of the City are paid. Upon finding satisfactory performance in the future, the City Council may make appropriate adjustments.

Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City to adjust salary in response to annual budget considerations.



### **Section 3 – TERM:**

- A. The term of this agreement shall be effective from July 1, 2016 through June 30, 2017 unless terminated by either of the parties. SMITH will be employed on an at-will status as City Administrator to perform the functions and duties of the position as required by the Code and Charter. He shall also perform such duties and functions as the City Council may, from time to time, prescribe. He shall serve at the pleasure of the City Council and be subject to removal by the City Council at any time with or without cause.

Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City to terminate the services of SMITH with or without cause, with or without notice, at any time.

- B. SMITH shall be employed on an AT-WILL BASIS as City Administrator to perform the functions and duties of the position as required by the Code and Charter.
- C. THERE SHALL BE NO EXPECTATION OF RENEWAL OR EXTENSION OF THIS AGREEMENT UNLESS MUTUALLY AGREED UPON IN WRITING BY BOTH PARTIES.
- D. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of SMITH to resign at any time from his position with the City. However, SMITH shall be required to provide thirty (30) days written notice to the City prior to his resigning.
- E. SMITH agrees to remain the exclusive employee of the City and neither to accept other employment nor to become employed by any other employer thereafter as long as he remains in the employ of the City.

### **Section 4 – TERMINATION AND SEVERANCE PAY:**

In the event that SMITH is terminated without cause then, in that event, SMITH shall receive severance pay equaling 60 days (2 months of regular pay) of his annual salary. Directly prior to his receipt of severance pay, SMITH shall sign a Settlement and Release Agreement waiving any and all rights under this Agreement, and he shall agree not to file any lawsuit or engage in any litigation against the City, its agents, assigns, Council Members, (either in their representative capacity or in their individual capacities).

### **Section 5 – FRINGE BENEFITS:**

The City reserves the right to reduce or modify any fringe benefit should it determine same to be necessary, desirable or appropriate. SMITH qualifies for the following fringe benefits:

- 1. Contribution to Deferred Compensation Plan: ICMA-RC457 or an equivalent plan in an amount equal to eight (8%) percent of SMITH's salary during the contract period.

SMITH agrees to execute any waiver and release from liability in favor of City for payments made to any deferred compensation plan as is required from all employees participating in such programs.

2. SMITH shall be entitled to vacation leave, with pay, at the rate of twenty-  
\_\_\_\_\_ ( ) working days per year from July 1, 2016 through June 30, 2017.
3. Delta dental or equivalent coverage and current optical coverage. That coverage currently in effect for salaried employees.
4. Medical and prescription drug coverage. In lieu of the medical and prescription drug coverage provided by the City and currently in effect for salaried employees, Smith will elect the opt out coverage – currently \$3,000.00 per year.
5. Holiday Leave. Per Employee Handbook.
6. Vacation Leave. Per Employee Handbook.
7. Sick Leave. Per Employee Handbook.
8. Disability Leave. Per Employee Handbook.
9. Funeral Leave. Per Employee Handbook.
10. Leaves of Absence. Per Employee Handbook.
11. Jury Duty Leave. Per Employee Handbook.
12. Furlough Days. SMITH shall be obligated to observe the current furlough (unpaid) days currently in effect for salary employees.

#### **Section 6 – DUES AND SUBSCRIPTIONS:**

The City agrees to endeavor (but is not obligated) to annually budget and, upon prior approval of the City Council, pay for the professional dues and subscriptions of SMITH which are necessary for the continuation and full participation in national, regional, state, and local associations and organizations which are immediately related to continued professional participation, growth and advancement, and for the general good of the City.

#### **Section 7 – MISCELLANEOUS**

SMITH shall also be permitted to serve as the Police Commissioner of the City during the duration of this Agreement. The parties agree that the Labor Attorney and the City Attorney have reviewed the status of SMITH continuing as Police Commissioner and have approved same.

There shall be no other compensation of any kind except as clearly stated herein.



## **Section 8 – PROFESSIONAL DEVELOPMENT**

- A. City agrees to endeavor (but is not obligated) to annually budget and, upon prior approval of the City Council, pay for travel and subsistence expenses of SMITH for professional and official travel, meetings and occasions which are necessary to continue the professional development of SMITH and to adequately pursue necessary official and other functions for the City.
- B. City agrees to endeavor (but is not obligated) to annually budget and, upon prior approval of the City Council, pay for the travel and subsistence expenses of SMITH for short courses, institutes and seminars that may be required by law in connection with duties performed for the City.
- C. Any professional development requiring airfare or overnight accommodations requires prior Council approval.
- D. City reserves the right to receive reimbursement for any professional development related expenditures from SMITH in the event that SMITH ceases employment with the City within 12 months from the City's payment of said expenditure.

## **Section 9 – OTHER TERMS AND CONDITIONS OF EMPLOYMENT:**

- A. SMITH's scheduling of time at work at municipal facilities, meetings and events is expected to be without maximum limitation and shall meet the needs of the City, its businesses and inhabitants.
- B. The minimum workweek shall be 40 hours and there shall be no added compensation for hours worked longer than 40 hours per week.
- C. The City shall be SMITH's sole and exclusive employer except as provided herein and except as may be approved by the City Council.
- D. During the term of this contract, the City may establish evaluation criteria, procedures and timetables. This evaluation program is subject to approval by City Council.
- E. There shall be no City car furnished nor any car allowance.

## **Section 9 – GENERAL PROVISIONS:**

- A. This is the entire Agreement between the parties. This Agreement supercedes any and all other Agreements or contracts, either oral or written between the parties.
- B. Notices pursuant to this Agreement shall be deemed given if served personally in the same manner as is applicable to judicial practice or if deposited in the custody of the United States Postal Service, postage prepaid addressed as follows:

(1) City Clerk  
City of Grosse Pointe Woods  
20025 Mack Plaza  
Grosse Pointe Woods, MI 48236.

(2) Bruce J. Smith  
\_\_\_\_\_  
\_\_\_\_\_

- C. The parties acknowledge that both the City and SMITH have drafted this Agreement and have had the opportunity to have the Agreement reviewed by counsel.
- D. If any provisions, or any portion thereof, contained in this Agreement are held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full effect.

IN WITNESS WHEREOF, the parties have signed this Agreement below.

CITY OF GROSSE POINTE WOODS

\_\_\_\_\_  
By: BRUCE J. SMITH  
Dated: \_\_\_\_\_, 2016

\_\_\_\_\_  
By: ROBERT E. NOVITKE  
Its: Mayor  
Dated: \_\_\_\_\_, 2016

APPROVED:

\_\_\_\_\_  
DON R. BERSCHBACK, City Attorney  
Dated: \_\_\_\_\_, 2016