

LAKE HAVASU CITY EMPLOYMENT CONTRACT CITY MAGISTRATE

This Employment Contract ("Contract") is entered into _____, 2017, by and between Lake Havasu City, an Arizona municipal corporation, acting by and through its duly authorized Mayor and City Council ("City") and Mitchell Kalauli ("City Magistrate"), collectively referred to as the "Parties." The Parties agree as follows:

1. Employment: City appoints City Magistrate and City Magistrate accepts appointment as presiding City Magistrate of the Municipal Court of City upon the terms and conditions of this Contract.
2. Term: This Contract commences on July 1, 2017, and continues in effect until June 30, 2019, unless terminated as provided in this Contract. City Magistrate's performance may be reviewed, at minimum, every twelve (12) months during the course of this Contract. At least six (6) months prior to the expiration of the term, City and City Magistrate may begin negotiations for a new employment contract for the City Magistrate position. If it is the intent of the City not to enter in a new employment contract with City Magistrate, City agrees to provide notice of intent not to enter into a new employment contract with City Magistrate at least three (3) months prior to the expiration of the term.
3. Duties and Responsibilities: City Magistrate shall perform all duties and shall have all powers and authority granted to the City Magistrate in City Code Chapter 2.56, and as otherwise requested by City or provided for under applicable state law.
4. Management and Operation of Municipal Court: City Magistrate shall, at all times during the term of this Contract, comply with the rules, regulations and requirements of the Arizona Supreme Court and the Arizona Administrative Offices of the Court, and the City's Human Resources Rules and Regulations in the administration of the court and employees assigned to the court in accordance with City Code Chapter 2.56.
5. Work Responsibilities: City Magistrate shall devote the time necessary to the administration of the Municipal Court of City. The City Magistrate position is a FLSA exempt position, and is not eligible for overtime compensation; however, City Magistrate is expected to engage in those hours of work that are necessary to fulfill the obligations of the position. .
6. Compensation: Beginning July 1, 2017, for all services provided by City Magistrate under the terms of this Contract, compensation shall be paid to the City Magistrate by City as follows:
 - 6.1. Salary in the annual amount of \$153,500.00 payable bi-weekly on regularly scheduled pay dates for all City employees. Upon City Magistrate evaluation, if the average overall rating is acceptable performance, the annual salary may be adjusted in an amount determined by the City Council.

6.2. City Magistrate shall be entitled to the vacation, personal leave, and health plan benefits currently available to employees of the City.

6.3. City Magistrate is entitled to the benefits of an exempt executive employee of Lake Havasu City and shall receive the retirement and deferred compensation benefits currently available to all department directors in the employment of the City.

6.4. City agrees to budget and to pay for the travel, registration and subsistence expenses of City Magistrate for professional and official travel, meetings, short courses, and seminars, including required continuing legal education mandated by the State Bar of Arizona, as well as the state bar dues on an annual basis owed to the State Bar of Arizona, that is adequate to maintain and to continue the professional development of City Magistrate and for the mutual benefit of the City.

6.5. All payments of salary due to City Magistrate are subject to federal and state withholding taxes and such other sums as City is required by law to withhold or deduct from City Magistrate's salary.

7. Insurance: City agrees to insure City Magistrate through its comprehensive public liability insurance coverage presently in effect, against any tort or professional liability claim, demand, or other legal action, whether groundless or otherwise, arising out of the performance of City Magistrate's duties for City, with the exception of actions brought on behalf of the City or criminal actions taken against City Magistrate. Any attorney's fees, court costs, or other litigation related expenses incurred in connection with the defense of the claim, demand, or lawsuit will be paid for by City.

8. Bonding: City shall bear the full cost of any fidelity or other bonds required of City Magistrate under any law or ordinance.

9. Termination:

9.1 It is expressly understood by the parties that this Contract will end by its terms if not specifically renewed. During the term of this Contract the parties agree and acknowledge that the Contract may only be terminated for cause by the City Council, or if City Magistrate becomes disqualified to serve as a Judge in the courts of Arizona.

9.2. If the City acts to terminate this Contract "for cause," City shall give written notice to the City Magistrate that his termination is "for cause" setting forth with particularity the reasons for termination "for cause." The phrase "for cause" as used herein, refers to any of the following: (1) any conduct that leads to a charge or conviction of a felony criminal offense; (2) any conduct which leads to a charge or conviction of a misdemeanor offense involving a crime of dishonesty or moral turpitude; (3) any formal complaint filed by either the State Bar of Arizona or the Arizona Judicial Commission which could result in or results in the issuance of public discipline of the City Magistrate. The term "public discipline"

as used herein refers to any discipline above the level of an informal reprimand, including a formal reprimand, suspension or disbarment or removal from the judicial office.

10. Resignation: In the event City Magistrate voluntarily resigns his position with City, City Magistrate shall give City a minimum of sixty (60) days written notice in advance, unless the parties otherwise agree. Any notice from City Magistrate to City shall be provided by City Magistrate to the City Clerk.

11. Severability Clause: If any provision, or any portion thereof, contained in this Contract is held unconstitutional, invalid, or unenforceable, the remainder of this Contract, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

12. Attorney's Fees: If any legal proceeding is brought for the enforcement of this Contract, or because of an alleged breach, default, or misrepresentation in connection with any provision of this Contract, or other dispute concerning this Contract, the successful or prevailing party shall be entitled to recover reasonable attorney's fees and other costs incurred in that proceeding, in addition to any relief to which it may be entitled.

13. Final and Entire Agreement of the Parties: The Parties acknowledge that this Contract represents the final and entire agreement and understanding between the Parties and that any representations, negotiations, offers, proposals, promises or prior agreements are intended by the parties to be integrated and merged herein and to be superseded by this Contract. This Contract may only be modified or amended through a new written contract signed by the City Magistrate and approved during a public meeting by the City Council.

14. Governing Law: This Contract is intended to be governed by and construed in accordance with Arizona Law.

15. Conflicting with City Code or Administrative Regulation: The Contract is not intended to conflict with any City Code or administrative regulation currently in force with the City. Should a conflict arise between existing City Codes or administrative regulations and this Contract, the provisions of this Contract will prevail.

16. Signatures: [on following page]

LAKE HAVASU CITY:

CITY MAGISTRATE:

Mark S. Nexsen, Mayor

Mitchell Kalauli, City Magistrate

APPROVED AS TO FORM:

Kelly Garry, City Attorney

ATTEST:

Kelly Williams, City Clerk