

**CITY OF ROLLING MEADOWS
CITY MANAGER EMPLOYMENT AGREEMENT**

This City Manager Employment Agreement (“Agreement”) is made and entered into by and between the City of Rolling Meadows Cook County, Illinois, a municipal corporation, hereinafter referred to as the “City,” and Rob Sabo, hereinafter referred to as the “Manager” or “City Manager.”

WITNESSETH:

WHEREAS, the City is a home rule unit of local government under the provisions of Article VII, Section 6 of the Illinois Constitution, and operates under the managerial form of municipal government, pursuant to Article 5 of the Illinois Municipal Code (65 ILCS 5/5-1-1 *et seq.*); and

WHEREAS, the City desires to continue to employ the services of Rob Sabo as City Manager of the City of Rolling Meadows, under the terms and conditions provided for in Section 5-3-7 of the Illinois Municipal Code (65 ILCS 5/5-3-7) and Article 3, Division 3 of the Code of Ordinances, City of Rolling Meadows, Illinois (“Rolling Meadows City Code”); and

WHEREAS, it is the desire of the corporate authorities of the City to provide certain benefits, establish certain conditions of employment and to set working conditions of employment for the Manager; and

WHEREAS, the Manager desires to accept continued employment as the City Manager of the City; and

WHEREAS, the parties to this Agreement wish to reduce to writing the terms and conditions of the Manager's employment with the City.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

SECTION 1. DUTIES

The City hereby agrees to employ Rob Sabo as City Manager of the City, and he agrees to perform the functions and duties as specified in Section 5-3-7 of the Illinois Municipal Code (65 ILCS 5/5-3-7) and the applicable sections of the Rolling Meadows City Code, and to perform such other legally permissible and proper duties and functions as the City Council shall, from time to time, assign to the Manager.

SECTION 2. TERM

A. The office of City Manager is in the nature of an administrative office of the City, and by law is an appointment for an indefinite term. (*See* 65 ILCS 5/5-3-7). This Agreement shall become effective on March 1, 2023 (“Effective Date”), and shall terminate on February 1, 2027, unless sooner terminated, subject to the notice requirements of Section 3.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the rights of the City Council to terminate the services of the Manager at any time, by majority vote of the members of the Council, as set out Section 5-3-7 of the Illinois Municipal Code (65 ILCS 5/5-3-7), subject only to the provisions set forth in Section 3, of this Agreement.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Manager to resign at any time from his position with the City, subject only to the provisions set forth in Section 3, of this Agreement.

SECTION 3. REMOVAL AND SEVERANCE PAY

A. The City Council may remove the City Manager and terminate this Agreement at any time by a majority vote of its members, in accordance with Section 5-3-7 of the Illinois Municipal Code (65 ILCS 5/5-3-7). The City Council shall cause written notice of its action to remove the Manager to be served upon the Manager. If removal is based upon reasons other than those provided in Section 3B hereinafter, the City Manager shall continue to receive his regular compensation as Severance Pay, determined upon his length of service under this Agreement, in accordance with the schedule set forth below. Said Severance Pay shall commence on the date the City Manager is removed from office as set forth in the City Council’s written notice and shall continue for the duration set forth in the following schedule or until the City Manager accepts other full-time employment, whichever occurs first. The City Manager is required to notify the Mayor of his acceptance of other full-time employment on the same day such other employment is accepted.

<u>Length of Service</u>	<u>Severance Pay</u>
On or after Agreement Effective Date and on or before February 1, 2024	8 weeks
After February 1, 2024 and on or before February 1, 2025	12 weeks
After February 1, 2025 and on or before February 1 2026	16 weeks
After February 1, 2026 and on or before February 1, 2027	20 weeks

B. Notwithstanding the provisions in Section 3A, hereinabove, in the event the Manager is terminated by a majority vote of the City Council, for cause, as defined in this paragraph below, such termination shall be effective immediately upon written notice to the Manager, and the City shall have no obligation to pay the Severance Pay, as further described in Section 3A hereinabove, or any other additional compensation, to the Manager. "Cause" as used herein shall mean:

- (i) a breach of any of the provisions of this Agreement by the Manager;
- (ii) a breach of the Manager's duty of loyalty to the City;
- (iii) any act of dishonesty, fraud, gross incompetence, misconduct or gross misrepresentation, in connection with the Manager's employment activities;
- (iv) the Manager's failure to perform his duties to the City in all material respects after written notice thereof from the City (which notice will specifically identify the areas where the Manager has failed to perform his duties and identify actions required to be taken by the Manager to rectify such failure), provided the Manager's failure to perform continues for a period of ten (10) calendar days after such notice;
- (v) the commission by the Manager of a felony or crime involving moral turpitude, or other act which causes harm to the City's standing and reputation;
- (vi) malicious or intentional discrimination in hiring, promotion or termination of any employee for reasons of race, color, religious creed, ancestry, age, sex, marital status, national origin, handicapped status or any other reasons prohibited by law;
- (vii) deliberately performing any act which unnecessarily endangers the health or safety of employees or others associated with the activities of the City government;
- (viii) misappropriation or theft of City property;

(ix) abandonment of job or duties for any unreasonably extended period of time without any explanation of his whereabouts or any statement of commitment regarding when he is to return to the performance of those duties; or

(x) any acts of "misconduct," as defined in the Government Severance Pay Act (5 ILCS 415/1 *et seq.*).

C. In the event the Manager voluntarily resigns his position with the City at any time during the term of this Agreement, then the Manager shall provide the City sixty (60) calendar days written notice in advance, unless the parties otherwise agree. The City shall have no obligation to pay the Severance Pay set forth in Section 3A, hereinabove, or any other additional compensation, except as otherwise required by law, upon the Manager's voluntary resignation.

D. The Manager expressly acknowledges that he has no entitlement to any additional severance benefits, other than those described in this Section 3, except that upon the Manager's separation from employment, the Manager will be entitled to payment of all accrued, but unused vacation time.

SECTION 4. SALARY

The City agrees to pay the Manager for services rendered pursuant to this Agreement at an annual salary to be distributed through the normal payroll system. The Manager's initial annual salary under this Agreement shall be \$180,100.00. The City Manager's annual salary shall increase in accordance with any increase approved by ordinance of the City Council related to salary increases for City employees who are not subject to collective bargaining.

SECTION 5. MANAGER GOALS AND BONUS

Each year, the Mayor and the City Council agree to participate with the City Manager in a strategic planning session by March 31 that will result in specific goals and objectives for the City Manager for that calendar year, necessary for the proper operation of the City and the attainment of the City Council's policy objectives, and shall further establish a relative priority among those various goals and objectives, such goals and objectives to be reduced to writing. Such goals shall generally be attainable within the time limitations as specified, and within the annual operating and capital budgets and appropriations that are provided. The City Council shall review and evaluate the Manager's overall performance and completion of the annual goals prior to January 31 of the following calendar year. Conditioned upon the successful completion of the goals established for

each calendar year of the Agreement, the Manager will be subject to a compensatory bonus of up to \$25,000.00, to be paid on or before March 31 of the following calendar year, (*i.e.*, 2023 bonus to be paid on or before March 31, 2024; 2024 bonus to be paid on or before March 31, 2025; 2025 bonus to be paid on or before March 31, 2026; 2026 bonus to be paid on or before March 31, 2027).

SECTION 6. HOURS OF WORK

The Manager is expected to maintain regular office hours, which shall generally follow those hours when the City Hall is open to the public. In addition, the Manager shall be required to attend the regular and special meetings of the City Council and the Committee of the Whole, with the exception of vacations, conferences as set forth in Section 12, or other unforeseen circumstances (e.g., illness). It is recognized that the Manager must devote time outside the normal office hours to the business of the City, and to that end, the Manager shall be employed as a salaried, FLSA-exempt employee. The Manager agrees to perform whatever duties are required to sufficiently carry out those duties outside the normal working hours.

SECTION 7. OUTSIDE ACTIVITIES

At no time shall the Manager engage in work directly for another city, village or town, except as an elected official of another unit of local government, or spend non-City Hall hours consulting on other non-City connected business, without the prior approval of the City Council.

SECTION 8. AUTOMOBILE, CELLULAR TELEPHONE, LAPTOP AND TABLET

The Manager's duties require exclusive and unrestricted use of an automobile, and accordingly, in lieu of providing the exclusive use of an automobile or reimbursement of fuel costs and automobile maintenance expenses, the City shall pay a car allowance to the Manager in the amount of \$500.00 per month, so long as the Manager remains employed by the City pursuant to this Agreement. This section shall not preclude the Manager from utilizing a City automobile for official City business.

In addition, the City recognizes the need for the Manager to be reachable during such times as the Manager is not in the City Hall. Accordingly, the Manager shall be provided a cellular telephone that may be used for business and personal use, so long as the Manager remains employed by the City pursuant to this Agreement. The Manager will also be permitted to use a City-owned laptop PC computer and tablet for use in the performance of the Manager's duties. The cellular telephone,

laptop and tablet shall be returned to the City immediately upon termination of the Manager's employment pursuant to this Agreement.

SECTION 9. VACATION AND OTHER PAID LEAVE

During the term of this Agreement, the Manager shall be entitled to 25 days of paid vacation on January 1 of each calendar year, provided that the Manager shall not use more than two (2) consecutive weeks of vacation at any time, unless mutually agreed by the Manager and the Mayor. Vacation time under this Agreement shall not be earned throughout the year on a pro rata basis but shall be issued into the Manager's vacation bank on January 1 of each year that this Agreement is in effect. (For the first year of the Agreement, the Manager shall be entitled to 25 vacation days retroactive to January 1, 2023, in addition to the remaining balance of unused vacation time the Manager had as of 12/31/2022, and any vacation time used after January 1, 2023 shall be counted against the 25 vacation-day allotment and the remaining balance of unused vacation time as of 12/31/2022.) Any unused vacation time not used by the end of a calendar year shall be forfeited, with the exception that ten (10) days of unused vacation time may be carried over to the next calendar year, with the prior written acknowledgment of the Mayor. Effective January 1, 2023, and for the duration of this Agreement, the personnel rules and regulations of the City shall not apply to the City Manager with respect to vacation time.

The Manager shall also be provided with sick leave in accordance with the personnel rules and regulations of the City. The City Manager shall also be entitled to personal days and holiday days in accordance with the personnel rules and regulations of the City.

SECTION 10. HEALTH AND LIFE INSURANCE

The City agrees to provide the Manager with life insurance benefits in accordance with City policy and equal to those benefits provided to Department Heads. During the term of this Agreement, the City agrees to provide hospitalization, surgical, dental and comprehensive medical insurance for the Manager and his dependents and to pay the premiums thereon equal to the percentage which the City pays from time to time for its non-union employees, with the Manager responsible for the balance of such premium payments. In addition, if the Manager is entitled to receive Severance Pay, as provided in Section 3 of this Agreement, then the Manager shall be entitled to continue such insurance on the same terms as provided in this paragraph while the Manager is continuing to receive his regular compensation during the term of his Severance Pay.

SECTION 11. RETIREMENT

The City agrees to execute all necessary agreements provided by the Illinois Municipal Retirement Fund (“IMRF”) for the Manager’s participation in said IMRF retirement plan. The City and the Manager agree that the IMRF and social security shall constitute the Manager’s retirement plans. The City agrees to make contributions to the IMRF plan each year on behalf of the Manager, in the amounts required by the IMRF for employer contributions, on a percentage basis commensurate with that of other general employees of the City participating in the IMRF, and to contribute to social security the employer’s contribution, as required by law.

SECTION 12. PROFESSIONAL DEVELOPMENT

A. The City hereby agrees to budget, on an annual basis, an amount not to exceed \$5,000.00, per fiscal year, to pay the membership/registration fees or expenses of the Manager for his attendance (including registration, travel, lodging and subsistence expenses) at one (1) ICMA or other national conference per year and two (2) ILCMA or other in-state conferences per year, plus metro area professional development meetings and for other courses, institutes and seminars, that are necessary for his professional development and for the good of the City. Following the completion of each conference, the Manager shall issue the City Council a written report summarizing the conference and identifying its benefits to the Manager and the City.

B. The City also agrees to reimburse the Manager for his attainment of the designation of ICMA Credentialed Manager (ICMA-CM) granted by the ICMA Executive Board, including costs associated with the 40-hour professional development requirement necessary for such designation, so long as the Manager is employed with the City prior to the designation.

C. At no time shall the cumulative costs enumerated in this Section 12 exceed \$5,000.00 per fiscal year without the express written consent of the Mayor.

SECTION 13. GENERAL EXPENSES

The City recognizes that certain expenses of a non-personal and generally job-affiliated nature may be incurred by the Manager, and the City hereby agrees to reimburse the Manager or to pay said verified general expenses ordinarily and necessarily incurred in the performance of his duties as Manager. In no event shall such reimbursement be made unless adequate funds for such reimbursement have been previously appropriated.

SECTION 14. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

All provisions of the City Code, and all regulations and rules of the City relating to employment, including retirement and pension system contributions, holidays and other fringe benefits, and working conditions, as they now exist or hereafter may be amended, shall apply to the Manager, as they would to other employees of the City, except as herein provided. The Manager shall not be required, as a condition of employment, to reside within the City. If any provisions of the City Code, regulations or rules of the City are in conflict with the terms and provisions of this Agreement, then the provisions of this Agreement shall control.

SECTION 15. INDEMNIFICATION

The City shall defend, save, hold harmless and indemnify the Manager against any tort, professional liability claim or demand or other legal action arising out of an alleged act or omission occurring in the performance of the Manager's duties as City Manager, in accordance with and limited by applicable law. The City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

SECTION 16. BONDING

The City shall pay the premium of any fidelity or other bonds required of the Manager under any law or ordinance.

SECTION 17. NOTICES

Notices pursuant to this Agreement shall be given and considered served by deposit and custody of the United States Postal Service, postage pre-paid, addressed to the following addressees by notice from one party to the other:

- (1) CITY: Mayor
City of Rolling Meadows
3600 Kirchoff Road
Rolling Meadows, IL 60008

- (2) MANAGER: Mr. Rob Sabo
1165 O'Malley Drive
Lake Zurich, Illinois 60047

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to Illinois civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the post-marked date of such written notice in the course of transmission in the United States Postal Service.

SECTION 18. GENERAL PROVISIONS

A. This Agreement contains all of the agreements and understandings relating to the employment of Manager by the City. The City has not made, and Manager is not relying upon, any warranties, or representations, promises or statements made by the City or any agent of the City, except as expressly set forth herein. This Agreement supersedes any and all prior agreements and understandings between the City and Manager and alone expresses the agreement of the parties.

B. This Agreement shall not be amended, changed or modified in any way unless in writing executed by the City and Manager.

C. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois.

D. In the event any provision of this Agreement is found to be unenforceable, the remainder of this Agreement shall not be affected, and any provision found to be invalid shall be enforceable to the extent permitted by law. The parties agree that in the event two different interpretations may be given to any provision hereunder, one of which will render the provision unenforceable, and one of which will render the provision enforceable, the interpretation rendering the provision enforceable shall be adopted.

E. All captions, headings, titles, numerical references and computer highlighting are for convenience only and shall have no effect on the interpretation of this Agreement.

F. Manager acknowledges that he has read and reviewed this Agreement and that he has had the opportunity to confer with counsel in the negotiation of this Agreement. Accordingly, this Agreement shall be construed neither for nor against the City nor Manager, but shall be given a fair and reasonable interpretation in accordance with the meaning of its terms and the intent of the parties.

G. All terms and words used in this Agreement, regardless of the number or gender in which they are used, shall be deemed to include the appropriate number and gender, as the context

may require.

H. This Agreement shall not be binding upon the City of Rolling Meadows, or any of its officers, employees or agents, until it is approved or ratified by a majority vote of the corporate authorities of the City of Rolling Meadows.

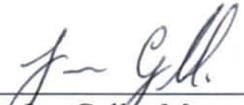
IN WITNESS WHEREOF, the City of Rolling Meadows has caused this Agreement to be signed and executed on its behalf by its City Mayor and duly attested by its Deputy City Clerk, and the Manager has signed and executed this Agreement, both in duplicate, the day and year first above written.

CITY OF ROLLING MEADOWS, an Illinois municipal corporation



Rob Sabo, City Manager

Date: 2/28/2023

By: 

Joe Gallo, Mayor

Date: 2-28-2023

Attest: 

Judith Brose, Deputy City Clerk

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF
A CITY MANAGER EMPLOYMENT AGREEMENT WITH ROB SABO**

WHEREAS, in the opinion of a majority of the corporate authorities of the City of Rolling Meadows, Illinois, (hereinafter referred to as the "City") it is advisable, necessary and in the public interest that the City enter into a City Manager Employment Agreement with Rob Sabo.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Rolling Meadows, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Resolution are found to be true and correct and are hereby adopted as part of this Resolution.

Section 2. The corporate authorities of the City hereby approve the *City of Rolling Meadows City Manager Employment Agreement* with Rob Sabo ("Agreement"), a copy of which is attached hereto as Exhibit "A" and made a part hereof, and the Mayor be and is hereby authorized and directed to execute and the Deputy City Clerk be and is hereby authorized and directed to attest said Agreement on behalf of the City.

Section 3. At least 6 days prior to this approval, a physical copy of said Agreement was placed on file with the Office of the Deputy Clerk of the City of Rolling Meadows with directions on the City's website on how to access the Agreement, in accordance with Section 7.3 of the Illinois Open Meetings Act (5 ILCS 120/7.3).

Section 4. This Resolution shall be in full force and effect upon its passage and approval in accordance with law.

ADOPTED this 28th day of February, 2023, by the City Council of the City of Rolling Meadows on a roll call vote as follows:

AYES: Reyetz, Sanoica, McHale, Budmats, O'Brien, Vinezeano, Bisesi

NAYS: 0

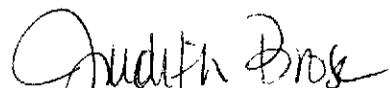
ABSENT: 0

APPROVED this 28th day of February, 2023.



Joe Gallo, Mayor

ATTEST:



Judith Brose, Deputy City Clerk