

EMPLOYMENT AGREEMENT

This AGREEMENT, is made by and between the City of Evanston (hereinafter “City”) and Luke Stowe effective August 15, 2022 (“Effective Date”).

WHEREAS, the City of Evanston ("City") desires to employ Luke Stowe (“Stowe”) as City Manager, under the terms and conditions hereinafter set forth;

WHEREAS, Stowe desires to accept employment with the City in accordance with the provisions listed in this Agreement.

NOW, THEREFORE, IT IS AGREED by and between the parties as follows:

1. In accordance with Evanston City Code ("ECC") § 1-8-1, the City of Evanston employs Stowe in the position of City Manager at an annual salary of \$250,000 per year. This annual salary is effective on the Effective Date. This amount may be adjusted as provided below.

2. In addition to the salary hereinabove provided, the City shall pay on Stowe’s behalf deferred compensation in the amount of 8% of his annual salary to a qualified tax deferred plan funded bi-weekly via the standard payroll schedule.

3. Unless otherwise provided in this Agreement, or by other City action, Stowe will devote his full time and energies to perform the functions and duties specified by statute and relevant City Ordinances and resolutions of City Manager, and to perform such other legally permissible and proper duties and functions as City may from time to time assign. The City will not interfere with the execution of the City Manager's powers and duties as provided by the Evanston City Code (including, without limitation, Section 1-8-1, et seq.) or other applicable law. Stowe is expected to conform to the International City/County Management Association (ICMA) Code of Ethics and must comply with Title 1, Chapter 8 of the Evanston City Code.

4. In accordance with Section 1-8-1 of the City of Evanston Code, unless terminated, the term of this Agreement is indefinite.

5. The City Council shall, on or before Stowe's anniversary date, conduct an annual evaluation of Stowe's performance in writing in conjunction with a Merit Review and/or COLA per City policy. The evaluation shall be in accordance with specific criteria developed jointly by the City and Stowe. Based upon this evaluation, the City Council may further increase Stowe's base salary. Any adjustment in salary shall be made following such evaluation and shall become effective as of his most recent anniversary date. In addition to the adjustment of base compensation, Stowe shall also be eligible for an annual performance bonus, to be paid at such time as specified by the City Council.

6. Stowe shall undertake and successfully complete such training on issues of race and equity as may be required by the City Council from time to time. The cost of such training shall be paid by the City.

7. Stowe shall participate in the Illinois Municipal Retirement Fund in accordance with applicable law. Stowe shall contribute such portion of his salary as required by applicable law, and the City shall contribute on Stowe's behalf in accordance with applicable law.

8. The City shall provide Stowe with a car allowance and cell phone stipend at the same level as Department Directors.

9. The City shall provide health insurance, including medical, dental, and vision, for Stowe and his eligible dependents in accordance with the plans offered to other full-time executive staff employees of the City. Stowe will pay the applicable monthly contribution for such health coverage.

10. The City shall pay for a term life insurance policy insuring Stowe's life, with a beneficiary(ies) to be named by Stowe, with a benefit amount equal to twice Stowe's annual salary.

11. Stowe shall accrue sick leave at the rate of one sick day per month in accordance with the sick leave program offered to full time executive staff members of the City.

12. Stowe shall accrue annual vacation in the amount of five (5) weeks per year and floating holidays consistent with other full-time executive staff employees of the City.

13. The City shall pay reasonable annual dues to professional organizations such as (but not limited to) ICMA, ILCMA, and local chapter meetings of any such organization, as determined by Stowe. The City shall pay expenses for professional development and related travel expenses for one national and one state conference as well as expenses for local professional development opportunities. All other expenses of membership are to be borne by Stowe.

14. Indemnification. The City agrees to defend, hold harmless, and indemnify Stowe from any and all demands, claims, suits, actions and legal proceedings related to and within the scope of his employment and duties as City Manager brought against him in his individual or official capacity consistent with the Illinois Local Governmental and Governmental Employees Tort Immunity Act, 745 ILCS 10/9-102. Such indemnity does not cover criminal litigation, claims of fraud and/or dishonesty, City administrative adjudication, or disciplinary proceedings against Stowe. The City shall have the option, within its sole discretion, to settle or litigate the matter as it shall determine to be in the best interests of the City. In no case will individual City Council Members be considered personally liable for indemnifying Stowe against such demands, claims, suits, actions, or legal proceedings.

15. Termination and Severance Pay

A. If Stowe's employment is terminated by action of the City, without "Cause," as defined in subsection C below, Stowe shall receive a lump sum of cash payment as severance pay in the amount of twenty (20) weeks of compensation. Compensation is inclusive of annual salary, contributions to deferred compensation, and any annual allowances or stipends. Stowe can opt to substitute any or all of the lump sum cash payment to cover the cost of continued health benefits. If Stowe leaves voluntarily, he will be entitled to compensation for accrued and unused vacation days, floating holidays, and 50% of sick days, but he shall not receive any severance pay. In the event Stowe voluntarily resigns, he shall provide the city with 60 days' notice in advance unless all parties otherwise agree. In said event, the City shall not be required to pay described severance benefit but shall pay Stowe all accrued unused vacation days, floating holidays, and 50% of all sick days.

B. If Stowe's employment is terminated by action of the City for "Cause" as defined in subsection C below, severance shall NOT be paid. Prior to termination of Stowe for Cause, the City will provide Stowe with written notice of the reasons why the City believes there is Cause for discharge, and an opportunity to respond to these reasons orally or in writing. If after considering Stowe's response, the City still believes there is cause for termination, Stowe may be terminated in accordance with this Agreement. Each party shall bear its own legal expenses associated with any negotiations, hearing or litigation that ensues over the termination of Stowe's employment for Cause. In the event of termination for Cause, Stowe will be compensated all

earned salary through the date of termination and accrued and unused vacation/personal time. In such instance, Stowe shall not be entitled to severance pay.

C. Severance will not be paid to Stowe if it is determined by the City Council that termination is required by reason of “Cause” consisting of any of the following:

- (1) willful breach or habitual neglect of the duties that Stowe is required to perform under the terms of this Agreement;
- (2) conviction of any felony, or conviction of any crime involving moral turpitude;
- (3) deliberately and improperly misusing, destroying, damaging or appropriating for his own use any property belonging to the City, another employee of the City or any member of the public using City property or facilities;
- (5) falsifying personnel or City records, including employment applications, accident reports, work records, purchase orders, time sheets, or any other report, record or application required in connection with Stowe’s employment or the employment of any City employee;
- (6) Providing information to the City that the Employee knows to be false;
- (7) Unlawfully possessing or using firearms, explosives or weapons on City property without prior authorization;
- (8) Taking for personal use a fee, gift or other thing of value in the course of his duties or in connection with performing such duties without reporting its receipt to the City, except as otherwise permitted by the Illinois Gift Ban Act or the City’s Personnel Policy as approved or amended from time to time;
- (9) Using, possessing or selling illegal drugs or controlled substances;

(10) Reporting to work, being on City property or representing the City at a function while impaired by alcoholic beverages or impaired due to the influence of illegal drugs or controlled substances;

(11) Violating the State Officials and City's Personnel Policy as applied to City, or the provisions of the City's Personnel Policy Manual; or

(12) Recurring negligence or carelessness in the performance of his duties, which demonstrates culpability, wrongful intent, or intentional and substantial disregard of the City's interests.

16. The City shall bear the cost of any fidelity or other bonds required of Stowe under any law or ordinance.

17. Notice pursuant to this Agreement shall be given by depositing said notice in the custody of the United States Postal Services, postage prepaid, certified mail return receipt requested, addressed as follows:

City of Evanston	Luke Stowe
Attn: Mayor	at then current
2100 Ridge Avenue	home address
Evanston, IL 60201	

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

18. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. If any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties after the judicial modification of the invalid provision.

19. This Agreement may be changed or amended by the mutual written consent of the City and Stowe. Any benefits to Stowe under this Agreement may be increased or added to by motion of the City Council without formal amendment to the Agreement.

20. This Agreement contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument will be of no force or effect excepting a subsequent modification in writing signed by the City and Stowe.

/signature page to follow/

IN WITNESS WHEREOF, the parties hereto have placed their hands and seal this 16th day of August, 2022.

LUKE STOWE

CITY OF EVANSTON

Mayor

ATTEST:

City Clerk
4868-5433-3739, v. 1