

EMPLOYMENT CONTRACT

PARTIES TO THIS CONTRACT, dated this 28th day of January 2025, are MATTHEW STAEHLING, an individual person, hereinafter referred to as "Employee," and the CITY OF DULUTH, MINNESOTA, a Minnesota municipal corporation, hereinafter referred to as "City," together referred to as the "Parties".

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

1. The Mayor has appointed Employee to the position of City Administrator effective January 28, 2025 ("Effective Date"). He recommends that the City Council approve the salary and fringe benefits for such position as set forth in this contract.
2. Employee has accepted such appointment.
3. Each party wants Employee to perform the work of City Administrator for the City, pursuant to this contract.

NOW THEREFORE, in consideration of their mutual promises, the Parties hereto agree as follows:

1. Employee agrees to accept and competently perform the duties and responsibilities of the office of City Administrator as set forth in the Duluth City Charter and ordinances and resolutions adopted by the City Council, as an employee at will. The term of this contract shall commence upon City Council approval and run through December 31, 2031, unless terminated earlier by either party, as set out in this contract and the City Charter, or superseded by a successor, duly authorized written employment contract.
2. This contract creates an employment at will except as modified herein. Employee agrees to give the City at least thirty (30) calendar days' notice of resignation and acknowledges the right of the Mayor, with City Council approval, to remove him from the position of City Administrator. In case of such removal, the Mayor will provide Employee with at least ten (10) calendar days' notice in writing of such removal. In case of such removal, Employee will receive four months' severance paid in accordance with Article 18.1 of the 2025-2027 collective bargaining agreement (CBA) between the City and its City of Duluth Supervisory Association unit (CDSA), and its successor CBA.
3. City agrees to provide Employee with the following salary and fringe benefits:
 - a. Year 2025 salary at an annual rate of \$225,000 paid in bi-weekly installments that coincide with the City's standard pay periods.
 - b. Effective January 1, 2026, Employee's annual salary shall be increased commensurate with the increases described in Article 8.1 of the 2025-2027 CBA between the City and CDSA, and its successor CBA.
 - c. On the first day of this agreement employee will receive and have accrued for his use thirty (30) days paid vacation. Employee will receive thirty (30) days of vacation each subsequent year of employment.
 - d. Employee is entitled to fringe benefits provided for in the 2025-2027 CBA between the City and CDSA, and its successor CBA, other than Monthly Health Care Savings Plan Contributions as described in Article 13, Section 13.13 b, Paid Leave as described in Article 20 and Resignations as described in Article 28.

- e. A contribution to the Employee's Health Care Savings Plan account of five (5) percent of annual salary paid in monthly installments that coincide with the City's standard pay periods.
 - f. A housing stipend of One Thousand dollars (\$1,000) each month for 24 months or until employee's family relocates to Duluth, whichever is less.
 - g. Reimbursement of Employee's attorney license fees and Continuing Legal Education course fees.
 - h. Reimbursement of Employee's fees to attend one state and one federal City Attorney/Administrator conference.
- 4. Any change in salary or benefits will be implemented by a duly authorized written amendment or new contract. Any amendment to this contract must be in writing, dated and executed by the Parties and approved in the manner as required by the City Charter.
 - 5. City shall budget and pay the travel and subsistence expenses for Employee which are deemed reasonable and necessary in carrying out his duties as City Administrator for the City.
 - 6. During the term of this contract, Employee shall not perform any paid work for another employer without approval from the Mayor, nor do any act which conflicts with his interest, or the City's interest, in his performance of this contract.

[Remainder of page intentionally left blank; signature page to follow.]

IN WITNESS WHEREOF, the parties have set their hands the day and date first shown below.

CITY OF DULUTH

EMPLOYEE

By _____
Mayor

By Matthew A. Staehling
Matthew Staehling

Attest: _____
City Clerk
Date: _____

Countersigned:

City Auditor

Approved as to form:

City Attorney

