



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: 05/03/18

Staff Contact: Melanie Bruketta, HR Director

Agenda Title: For Possible Action: To appoint Nancy Paulson, Deputy City Manager, as the interim City Manager beginning June 3, 2018 and to approve the employment contract between the Carson City Board of Supervisors and Nancy Paulson. (Melanie Bruketta, mbruketta@carson.org)

Staff Summary: On April 19, 2018, Nick Marano, City Manager, gave his notice to the Board of Supervisors that he will not seek to renew his employment contract which ends on June 2, 2018. The Board of Supervisors is responsible for the selection of the City Manager. (Carson City Charter section 3.020)

Agenda Action: Formal Action/Motion

Time Requested: 5 minutes

Proposed Motion

I move to appoint Nancy Paulson, Deputy City Manager, as the interim City Manager beginning June 3, 2018 and to approve the employment contract between the Carson City Board of Supervisors and Nancy Paulson.

Board's Strategic Goal

Efficient Government

Previous Action

On May 15, 2014, the Board of Supervisors (Board) approved the employment contract with Nick Marano, City Manager effective June 2, 2014 to June 2, 2016. On January 21, 2016, the Board approved to renew and amend the City Manager's employment contract. The employment contract was extended from June 2, 2016 to June 2, 2018.

Background/Issues & Analysis

Pursuant to Carson City Charter Section 3.020, the Board is responsible for appointing a City Manager. The Board expressed an interest in assigning Nancy Paulson, Deputy City Manager, to act as the Interim City Manager.

Applicable Statute, Code, Policy, Rule or Regulation

Carson City Charter Section 3.020

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number: 101-0600-413.01-01.

Is it currently budgeted? Yes No

Explanation of Fiscal Impact: The salary has been set at \$177,683 in order to maintain a separation of at least 10% between the interim City Manager salary and the Department Directors. The current City Manager's salary is \$178,502.

Alternatives

Not appoint Nancy Paulson as the interim City Manager.

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“hereinafter “Agreement”), made and entered into this 3rd day of June, 2018, by and between the CARSON CITY BOARD OF SUPERVISORS (hereinafter “Board”), acting on behalf of Carson City, a consolidated municipality of the State of Nevada (hereinafter “City”), and Nancy Paulson (hereinafter “Employee”, or “Interim City Manager”).

WHEREAS, Carson City is a consolidated city and county, which generally operates as a “county” under the Nevada Revised Statutes and the Carson City Charter. NRS 0.033; Carson City Charter (“Charter”) Sec. 1.010;

WHEREAS, as a charter city, the Nevada Legislature has established that Carson City consists of three branches of government including a Legislative Department, an Executive Department and a Judicial Department. Charter, Articles 2, 3 and 4;

WHEREAS, pursuant to Charter Sec. 3.020 the Board may appoint a “manager who is the chief administrative officer of the city,” who is similar to a county manager under NRS 244.125-.135, and who heads up the Executive Department of the City under the job title designation of “City Manager”;

WHEREAS, the City Manager is a public officer under the Nevada Ethics in Government Law (NRS chapter 281A) who must file annual financial disclosure statements with the Secretary of State pursuant to NRS 281.559;

WHEREAS, pursuant to the Charter Sec. 3.010-.015 the Mayor (or the Mayor pro tempore in the Mayor’s absence or disability) holds positions in both the Executive Department and the Legislative Department, which provides for some limited cross-over authority and duties of the Mayor in the Executive Department;

WHEREAS, Articles 3 and 4 of the Charter and NRS chapters 3, 4, 5, 245, 246, 247, 248, 249, 250 and 252 provide for elected judicial and public officer positions of the Judicial Department, Clerk-Recorder, Treasurer, Assessor, Sheriff and District Attorney, who are independent and are not directly supervised by the City Manager, but may collegially cooperate in the Board’s budgeting and agenda management systems administered by the City Manager; and

WHEREAS, the Board directly appoints and supervises four (4) positions in City government: the City Manager (Charter Sec. 3.020), the Internal Auditor (Charter Sec. 3.075), the Chief of the Department of Alternative Sentencing (NRS 211A.100; CC Municipal Code Chapter 2.38), and the Public Guardian (NRS 253.150). The Board’s scope of day to day supervision of these positions is not uniform and the role of the City Manager, if any, in assisting the Board in its oversight duties varies.

NOW THEREFORE, in consideration of mutual promises and other valuable consideration, the parties agree to the following terms and conditions:

Section 1. Employment, Term and Renewal.

Sec. 1.1. City agrees to employ Employee as the Interim City Manager of Carson City to perform the functions and duties of the City Manager as are specified in the Carson City Charter and as set forth herein. The term of employment of Employee as the Interim City Manager under this Agreement shall commence on June 3, 2018, and shall continue until January 3, 2019, unless otherwise concluded, terminated or renewed pursuant to the terms and conditions of this Agreement.

Section 1.2 Selection as City Manager. Anytime prior to January 2, 2019 or at any time during the Automatic Extensions as provided herein, the Board may appoint Employee as City Manager in lieu of conducting a search for the selection of a City Manager.

Section 1.3 Automatic Extensions. Unless otherwise concluded or terminated pursuant to the terms and conditions of this Agreement, commencing on January 2, 2019, and six (6) months from that date thereafter, this Agreement shall be extended for six (6) additional months, unless either party elects not to extend the Agreement, and notifies the other party of its election in writing prior to each such date. In the event the Agreement is not automatically extended, all compensation, benefits and requirements of the Agreement shall remain in effect until the expiration of the Agreement in effect at the time, unless sooner terminated under the provisions of this Agreement.

Section 1.4 Reversion to formerly-held position of Deputy City Manager. If at any time after the initial seven (7) month term of this Agreement, the Employee or the Board chooses to conclude or terminate or to not renew this Agreement, pursuant to the terms and conditions herein, Employee's position prior to her appointment as Interim City Manager, that of Deputy City Manager, shall be made available to Employee should she choose to return to such position. Employee is aware and acknowledges that upon the resumption of her position as Deputy City Manager, she holds that position in accordance with the *Resolution of the Board of Supervisors of Carson City Setting Forth the Benefits for Unclassified Employees Effective July 1, 2016* (hereinafter "unclassified employees' benefits resolution") adopted by the Board, which Resolution No. 2016-R-7 is hereby incorporated by reference as **Attachment A** to this Agreement.

1.5 Participation in Transition Plan. Should Employee not continue her employment in the capacity of Interim City Manager, Employee agrees to participate in a transition plan including the recruitment of a new City Manager.

Section 2. Position, Duties, and Responsibilities.

Sec. 2.1. Employee shall perform and discharge the official duties of City Manager which are set forth in Section 3.020 of the Carson City Charter, as well as other associated duties and functions as the Board may from time to time assign. Section 3.020 of the Carson City Charter states:

Sec. 3.020 - Manager: Appointment; duties; salary.

1. The board may appoint a manager who is the chief administrative officer of the city. He is responsible for carrying out the policy of the board. His duties and salary must be fixed by the board.
2. The manager may appoint such clerical personnel and create such administrative positions as he considers necessary, subject to the review and approval of the board.

Sec. 2.2. The City Manager is the Chief Administrative Officer of the Consolidated Municipality of Carson City. The City Manager is responsible for the efficient administration of all affairs of the City which are under her control. In addition to her general powers as administrative head of the Executive Department of City government, and not as a limitation thereon, it shall be her duty, as Interim City Manager, and she shall have the power to perform the following:

Sec. 2.2.1. Enforcement.

The City Manager shall see that the laws of the State of Nevada and all laws, ordinances and policies of Carson City are duly enforced and that all franchises, permits, leases, agreements, contracts, and privileges granted or entered into by the City are faithfully observed.

Sec. 2.2.2. Departments and Employees and Redevelopment Agency.

The City Manager shall control, order, give direction to, appoint, promote, discipline, and demote or remove all heads of departments and/or subordinate officers and employees of the City and the Carson City Redevelopment Authority (hereinafter "Redevelopment Authority") within her jurisdiction. The City Manager shall have the authority to organize, reorganize, consolidate or combine offices, positions, departments or other units under her jurisdiction as permitted by the Carson City Charter, the Carson City Municipal Code, and Nevada state law.

Sec. 2.2.3. Control and Supervision.

The City Manager shall exercise control over and supervise, in general, all departments and divisions of City government and the Redevelopment Authority

and all appointed officers and employees within those departments and divisions under her jurisdiction. Unless otherwise provided by the Board, and except with respect to the Board's appointed internal auditor, the Board delegates generally to the City Manager its day to day oversight of those officers and employees directly appointed and supervised by the Board, to wit, the Chief of the Department of Alternative Sentencing and the Public Guardian.

Sec. 2.2.4. Agenda Preparation.

Upon consultation and consent of the Mayor, who pursuant to Sec. 3.010(a) of the Charter "shall serve as a member of the board and preside over its meetings," the City Manager shall have the authority and discretion to determine the timing, order, content and recommendation, if any, of prepared agendas and the items for consideration, deliberation and action for all Board of Supervisors' and the Redevelopment Authority's meetings as deemed necessary and in the best interests of the City. Unless directed otherwise by the Mayor, Board policy, resolution or other Board action, the City Manager shall in good faith attempt to accommodate an agenda item request by an individual Board Member. However, if the City Manager believes accommodating such individual Member agenda item will require staff time in excess of two (2) hours, the City Manager may decline to do such staff work and shall place the Member's desired request on the next reasonably available Board agenda for consideration of whether the Board shall direct the necessary staff work be done in support of the Member's desired agenda item for future consideration by the Board.

The City Manager, or her designee(s), shall assist all City public bodies subject to the Open Meeting Law in their preparation, construction and posting of their various agendas and to conduct meetings in compliance with Nevada's Open Meeting Law (NRS chapter 241) and the enabling authority of such public bodies.

Sec. 2.2.5. Attend Meetings.

The City Manager shall attend all meetings of the Board of Supervisors, the Carson City Liquor and Entertainment Board and the Carson City Redevelopment Authority unless excused by the Mayor or the Mayor pro tem.

Sec. 2.2.6. Recommendations.

The City Manager shall recommend as necessary and appropriate the Board of Supervisors' or the Redevelopment Authority's adoption of such actions, resolutions and ordinances that are in the best interests of the City. She shall make reports and recommendations as may be desirable or requested by the Board of Supervisors. As an unelected Chief Administrative Officer, whose primary duty is to advocate before the Board the best interests of the City as a corporate entity, the Board requires a collegial candid assessment from the City

Manager, which the Board will weigh against its broader consideration of the taxpayers, the citizens, the visitors and the local and regional community as a whole.

Sec. 2.2.7. Inform and Advise.

The City Manager shall exercise good judgment in keeping the Board of Supervisors fully advised at various times and places, and as appropriate or needed, as to the operational, financial, general condition, needs and incidents with respect to the City.

Sec. 2.2.8. Annual Budget.

The City Manager shall timely prepare and submit to the Board of Supervisors and the State of Nevada the annual budgets for the City and the Redevelopment Authority and shall administer them after adoption.

Sec. 2.2.9. Salary Plan.

The City Manager shall prepare and recommend to the Board of Supervisors a salary plan for classified and unclassified employees and appropriate revisions to the personnel ordinance and the unclassified employees' benefits resolution.

Sec. 2.2.10. Investigation of City Matters.

The City Manager shall investigate into the matters of the City and any department or division thereof and any contract, or the proper performance of any obligation running to the City.

Sec. 2.2.11. Investigation of Complaints.

The City Manager shall investigate all complaints in relation to matters concerning the administration of the government of the City and the service provided by City utilities.

Sec. 2.2.12. Supervision of Public Property.

The City Manager shall exercise general supervision over all public buildings, public parks, streets and other public property (personal and real) which are under the control and jurisdiction of the Board of Supervisors and the Redevelopment Authority. Except as otherwise directed by the Board, specific budget authorization or contract, the City Manager may determine the assignment of offices and work space for, departments, divisions, agencies, officers and employees within her jurisdiction, and shall further provide the Mayor

and City Supervisors with suitable office accommodations in such location(s) as will enable them to perform their official duties.

Sec. 2.2.13. Full Time Duties.

The City Manager shall be in the exclusive employment of the City and devote her entire time to the duties set forth in this Agreement and to the interests of the City.

Sec. 2.2.14. Other Powers and Duties.

The City Manager shall perform such other duties and exercise such other powers as may be delegated to her from time to time by the Board.

Section 3. Absence from Duty.

Sec. 3.1. In the event of a temporary absence from duty, the City Manager has the authority to appoint, and shall appoint, a duly qualified City employee to perform her duties during the period of temporary absence. A temporary absence from duty shall be defined as being:

- (1) out of state (not including the Tahoe Basin while on City business);
- (2) more than two hours travel time from the City; or
- (3) any unreasonable extended period of time more than eight (8) regular City Hall work-day hours where the City Manager will foreseeably be unavailable to timely respond, at least electronically, to any emergency or any business related communication from a Board Member, the press or the City's department or agency heads.

Pursuant to Section 5, below, the City Manager is not temporarily absent from duty during a temporary physical absence from her Carson City office location.

Sec. 3.2. In case of the disability of the City Manager constituting an absence from duty, the Board of Supervisors shall appoint some duly qualified person to perform the duties of the City Manager during the period of any such disability.

Section 4. Salary, Compensation, Performance Evaluation and Benefits.

Beginning the effective date of this Agreement, the City shall compensate Employee for services rendered pursuant to this agreement as set forth below:

Sec. 4.1. The Employee shall be paid bi-weekly base salary of \$6,834.00 _____ (\$177,683.00 annually) with PERS contribution adjustments pursuant to NRS 286.421, which in some cases may be a cost equally shared between the City and the Employee pursuant to law and the relevant section of the unclassified employees' benefits resolution.

Sec. 4.2. Upon approval of the Board of Supervisors, the City's Director of Human Resources may conduct a total compensation comparison of similar Chief Administrative Officers in the region and the Board of Supervisors may consider and approve changes in the existing salary range for the Employee. If the salary is adjusted downward due to the compensation study, Sec. 10.7 (Termination Not-For-Cause) shall not apply to that reduction.

Sec. 4.3. In the event the City Manager is forced by economic condition to recommend to the Board a salary reduction be imposed upon all non-elected unclassified employees, the Board reserves the discretionary right to reduce the City Manager's base salary by the same approved reduction percentage and Sec. 10.7 (Termination Not-For-Cause) shall not apply to the reduction.

Sec. 4.4. Within the first two (2) months of the term of this Agreement, the Board and Employee shall mutually establish the performance criteria for a performance evaluation. The Board shall define the desired outcomes it deems necessary for the proper operation of the City and the attainment of the Board of Supervisors' policy objectives. The Board shall prioritize the desired outcomes. These goals and objectives shall be generally obtainable within time limits specified. Based on the Employee's achievement of the goals, the Board may grant a merit increase to the Employee up to, but not exceeding the current salary range for City Manager. If such a merit increase is approved by the Board of Supervisors, it will be granted effective for the next fiscal year budget to begin the following July 1.

Sec. 4.5. Except and not including section J (Pay Ranges), section K (Performance Pay) and section L (Temporary Duty Pay) of Attachment A to this Agreement, and except those benefits which Employee does not separately possess the pre-qualifications, Employee shall participate in and enjoy any cost sharing or payment provided for, holidays, retirement, medical and other insurance, and leave benefits as such are set out in the relevant sections of the unclassified employees' benefits resolution adopted by the Board. The Employee's medical, dental, vision and life insurance benefits will continue as they are currently in her position as Deputy City Manager.

Sec. 4.6. Employee will be paid a \$3,900.00 per year automobile allowance in bi-weekly installments with regular payroll. This allowance is in lieu of any mileage reimbursement benefit.

Sec. 4.7. The Employee's salary based contributions to the Public Employees Retirement System (PERS) shall be paid 100% by the City (except regarding any shared PERS adjustments as addressed in Sec. 4.1).

Sec. 4.8. Medicare payments, on behalf of Employee, shall be paid by the City in the same manner as other unclassified employees.

Sec. 4.9. Worker's Compensation insurance premiums, if any, will be paid by the City at the required level. Currently, the City is self-insured for worker's compensation coverage.

Sec. 4.10. At the sole expense of the City, Employee will receive all necessary equipment, i.e. computer equipment, software, cell phone (\$960.00 per year phone allowance), radio, etc., necessary to perform the essential functions of the position, and in accordance with the relevant City policies.

Section 5. Hours of Work.

It is recognized that City Manager must devote a great deal of time outside the normal office hours to the 24-hour, 7-days a week business of the City, and to that end Employee is authorized to take periodic time off for personal matters during the day, work occasionally from home, and work occasionally while out in the community, as City Manager shall deem appropriate during said normal office hours. The City Manager shall maintain her electronic communication link with the City while taking such liberties during normal office hours.

Section 6. Leave Benefits.

The relevant sections of the fiscal year unclassified employees' benefits resolution adopted by the Board provide for sick leave, annual leave, management leave and other general benefits involving various forms of leave. Employee shall participate in such leave benefits the same as any other unclassified employee of the City.

Section 7. Dues and Contributions.

Conditioned upon favorable economic conditions, the Board agrees to budget and to pay for reasonable professional dues and subscriptions of the Employee necessary for the continued membership in associations and organizations necessary and desirable for her continued professional growth and advancement. The Board reserves the right to review these expenses on a periodic basis to assure reasonableness.

Section 8. Professional Development.

Conditioned upon favorable economic conditions, the Board agrees to budget and pay for reasonable travel and subsistence for Employee for professional and official travel to

meetings and other events to continue professional development of Employee. The Board reserves the right to review these expenses on a periodic basis to assure reasonableness and the relevance of these activities. Employee will comply with City travel policies in accessing and utilization of professional development.

Section 9. General Expenses.

The Board recognizes that certain expenses of a non-personal and job-affiliated nature are incurred by Employee in conjunction with her responsibilities herein described, and shall continue to reimburse or to pay said general expenses in accordance with existing city policy for city employees. The Board reserves the right to review these expenses on a periodic basis to assure reasonableness.

Section 10. Discipline, Termination, Expiration of Agreement.

Sec. 10.1. The City Manager is an at-will employee and shall serve at the pleasure of the Board in accordance with NRS 244.125. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Board to terminate the services of the Employee at any time for any reason or for no reason at all, subject to the provisions set forth in this Agreement. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from her position with the City, subject only to the provisions set forth in this Agreement.

Sec. 10.2. Discipline and Termination.

At any time during the Agreement's term, or at the conclusion of any performance evaluation, including the annual performance evaluation, the Board may discipline the Employee with respect to her performance under this Agreement, or with respect to her private conduct adversely impacting the City or her performance under this Agreement, as follows:

- (1) A Public Reprimand;
- (2) A Public Reprimand and Notice to Cure;
- (3) Public Reprimand and Reduction in Base Salary;
- (4) Public Reprimand and Reduction in Responsibilities;
- (5) Notice of For Cause Termination;
- (6) Notice of Not-For-Cause Termination.

As an at-will public officer employee of the City serving at the pleasure of the Board, the City shall not be obligated to provide any form of progressive discipline. Pursuant to NRS 241.033 and NRS 241.034, the City must provide notice to the Employee before the Board conducts a public meeting to perform the Employee's performance evaluation and any possible resulting administrative action. Unless it is otherwise expressly provided for in such notice that the Board will consider possible "termination without cause" of this Agreement, no such notice with respect to the possibility of any other form

of discipline shall, by itself, constitute a Not-For-Cause termination event under Sec. 10.7.

Sec. 10.3. Termination For Cause.

Sec. 10.3.1. The Board may terminate the Employee for cause, generally. "Cause" shall include, without limitation:

- (1) activity that results in the filing of felony, gross misdemeanor or misdemeanor criminal charges (excluding traffic citations found in NRS 484, 484A and 484B; exclusive of 484B.657);
- (2) any willful act or omission or gross negligence which materially injures the interests of the City;
- (3) any act or omission on the part of the Employee which impacts her reputation to the extent she can no longer credibly perform the duties of City Manager;
- (4) any refusal, whether direct or implicit, to comply with any lawful directions of the Mayor or the Board, provided such directions are not internally inconsistent;
- (5) a material breach of this Agreement; or
- (6) an incapacity to perform the duties of the position due to any physical or mental condition for which no reasonable accommodation is required in accordance with this Agreement.

Sec. 10.3.2. Acts, omissions and conduct that occur while the Employee is not performing City duties or outside regular working hours may constitute "cause" for termination.

Sec. 10.4. In the event the Employee is terminated for cause for conviction of any felony or gross misdemeanor or misdemeanor, the City shall have no obligation to offer or to pay any lump sum or other Sec. 10.7.2 conditional severance benefits. Employee shall be entitled to only any earned and unpaid base salary to the date of termination and the accrued and unpaid leave benefits that are otherwise payable pursuant to City policy upon termination of any unclassified employee.

Sec. 10.5. In the event of termination for cause not based upon a conviction as provided in Sec. 10.4., City has the discretionary option, but is not required, to offer or to pay any lump sum or other Sec. 10.7.2 conditional severance benefits. Employee shall be entitled to earned and unpaid base salary to the date of termination and the accrued and unpaid leave benefits that are otherwise payable pursuant to City policy upon termination of any unclassified employee.

Sec. 10.6. Termination Not-For-Cause.

For purposes of this Agreement, whenever termination Not-For-Cause ("without cause") shall occur pursuant to the events set forth in this Sec. 10.7., the Employee shall be

entitled to recover termination without cause severance benefits as limited and set out in Sections 10.7.1 and 10.7.2. The relevant events shall be:

- (1) A majority of the Board votes to terminate Employee "without cause" at a duly authorized public meeting prior to the expiration of the term of this Agreement.
- (2) The Employee resigns her employment following notice from the Human Resource Department that the Board will be considering terminating the Employee's employment without cause at a duly authorized public meeting.
- (3) The Employee resigns her employment following the Board involuntarily reducing the salary or responsibilities of the Employee as a form of discipline.

Sec. 10.7. Severance Benefits.

Sec.10.7.1. If the Employee is terminated without cause by the Board during such time that Employee is willing and able to perform the duties under the Agreement, the City will pay Employee, as a lump sum *base severance benefit* less federal income tax withholding. This base severance benefit shall include:

- (1) all accrued and unused management leave (up to 40 hours at the base salary rate);
- (2) all accrued and unused annual leave; and
- (3) all accrued and unused sick leave up to a maximum of 1080 hours at 100%.

The payment of the accrued leave will be made on the next regularly scheduled pay date for the City following the last day of employment.

Sec. 10.7.2. When otherwise allowed or required by another provision of this Agreement, the City will offer Employee the following *conditional severance benefits* for termination:

- (1) a lump sum payment to the Employee equal to six (6) months' base salary;
- (2) a lump sum payment of the Employee's COBRA health insurance benefits payment for six (6) months following termination or until Employee secures other health insurance; and
- (3) purchase by the City of six (6) months of service credit with the Nevada Public Employees Retirement System ("PERS") only if the Employee is already a vested member of PERS.

These conditional severance benefits are conditioned upon satisfaction of the requirements set forth in Sec. 10.7.3., below. For the purpose of continuation of benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the six (6) months of health insurance coverage shall apply to the eighteen-month maximum continuation period.

Sec. 10.7.3. In order to receive the conditional severance benefits set forth in 10.7.2, above, Employee shall be required to execute the attached voluntary separation agreement and release of all claims. Employee acknowledges receipt of a form copy of the *Voluntary Separation Agreement, Waiver and Release* prior

to Employee's execution of this Agreement. (**Attachment B** is hereby incorporated into this Agreement). The conditional severance benefits set forth above will be consideration for the separation agreement and release of all claims. The payment of the lump sum, if applicable, will be made on the next regularly scheduled pay date for the City following the expiration of the revocation period for the separation agreement and release of all claims.

Sec. 10.8. Termination by Death.

Employee's employment shall terminate automatically upon her death. The City shall pay to the Employee's beneficiaries or estate, as appropriate, any compensation then due and owing, and shall, in addition, pay in a lump sum the amount of Employee's salary and benefits through the second full month after her death. Thereafter, all obligation of the City under this Agreement for payment of compensation shall cease. In the event of such demise of the Employee, City agrees to continue health and other insurance benefits for the Employee's dependents for six (6) months consistent with terms of the Summary Plan Description for the City's basic PPO point of sale plan, if any is provided to its employees. Nothing in this section shall affect any entitlement of Employees' heirs to the benefits of any life insurance plan or other applicable benefits.

Sec. 10.9. Termination by Disability.

If the Employee is unable to perform the essential functions of the position, with reasonable accommodation pursuant to the American with Disabilities Act (ADA), for a period of more than ninety (90) work days in the aggregate in any twelve-month period, then, to the extent permitted by law, the City may terminate the Employee's employment. In that event, the City shall pay to the Employee all compensation to which she was entitled through the last day of the month in which the 90th day of incapacity occurs including compensation for any accrued and unused leave benefits otherwise payable to an unclassified employee pursuant to City policy. Thereafter, all of the obligations of the City under this Agreement shall cease. Nothing in this Section shall affect the Employee's rights under any disability plan in which she is a participant.

Sec. 10.10. Voluntary Resignation.

In the event Employee voluntarily resigns her position as Interim City Manager with the City before expiration of the term of this Agreement, for reasons other than defined in Sec. 10.7 (Not-For-Cause events) above, the Employee shall give the City thirty (30) days advance written notice, unless the parties otherwise agree. It is understood that no base severance benefit nor any conditional severance benefits would be offered or paid should the Employee voluntarily resign her employment during the term of this Agreement.

Sec. 10.11. Expiration of Agreement.

Should the Mayor or Board propose to take future action not to renew or extend this Agreement, Employee shall be notified in writing of any pending Board agenda item to either not renew or extend this Agreement, or to begin the process to hire a new City Manager and, at the discretion of the Board, the possibility that the Board would relieve Employee of her duties immediately. Employee would be paid for all hours due through the end of this Agreement, and in addition, payment for the accrued and unused leave normally payable to unclassified employees. This action would not constitute a Not-For-Cause termination under Sec. 10.7 and no base severance benefit nor conditional severance benefits would be offered or paid, and final pay through the end of this Agreement would be processed as any other unclassified employee whose employment has ended.

Sec. 10.12. Cooperation in Pending Work.

Following the termination or expiration of this Agreement, the Employee shall fully cooperate with the City in all matters relating to the transition of pending work on behalf of the City and the orderly transfer of duties to her successor. Employee shall also cooperate in the defense of any action brought by a third party against the City that relates in any way to the Employee's acts or omissions while employed by the City. If Employee's cooperation in the defense of any such action requires more than ten (10) hours of her time, the Employee and the City shall mutually agree on appropriate remuneration for her time and expense.

Sec. 10.13. Return of Property.

Upon termination of this Agreement, Employee shall immediately return all keys and City property to the Mayor or Mayor pro tem. If all property is not returned within five (5) days of termination of this Agreement, the Board may institute a legal action against Employee for conversion.

Section. 11. Duty to Defend.

The Duty to Defend is subject to the requirements and conditions of NRS chapter 41. The District Attorney shall provide for the defense, including the defense of cross-claims and counterclaims, in any civil action brought against the City Manager based on any alleged act or omission relating to her public duties or employment if:

- (1) Within 15 days after service of a copy of the summons and complaint or other legal document commencing the action, she submits a written request for defense to the District Attorney; and
- (2) The District Attorney determines that the act or omission on which the action is based appears to be within the course and scope of public duty or employment and appears to have been performed or omitted in good faith.

Section 12. General Provisions.

Sec. 12.1. Notices.

All Notices or other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand or mailed, postage prepaid, by certified or registered mail, return receipt requested, and addressed to the City and to Employee. Employee's address is set forth in the employment records Employee shall provide to the Human Resources Department. Employee and the City shall be obligated to notify the other of any change in address. Notice of change of address shall be effective only when made in accordance with this Section.

Sec. 12.2. Entire Agreement.

This Agreement is intended to be the final, complete, and exclusive statement of the terms of Employee's employment by the City. This Agreement supersedes all other prior and contemporaneous agreements and statements pertaining in any manner to the employment of Employee; and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of the City, now or in the future, apply to Employee and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

Sec. 12.3. Amendments, Waivers.

This Agreement may not be modified or amended except by an instrument in writing, signed by Employee and by a duly authorized representative of City after Board approval. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity.

Sec. 12.4. Severability; Enforcement.

In any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by an arbitrator or a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement and such provisions as applied to the parties hereto, or other persons, places and circumstances shall remain in full force and effect.

Sec. 12.5. Governing Law.

The validity, interpretation, enforceability and performances of this Agreement shall be governed by and constructed in accordance with the law of the State of Nevada.

Sec. 12.6. Arbitration.

Any claim or controversy between Employee and the City arising under or in connection with this Agreement shall be settled by arbitration in accordance with the then current Employment Dispute Resolution Rules of the American Arbitration Association and shall be the exclusive remedy for all disputes including, but not limited to, Employee's compensation. The City and Employee agree that arbitration shall be held in or near Carson City, Nevada, and the arbitrator shall have authority to award or grant legal or equitable remedies. The parties shall bear equally the cost of the arbitrator. The decision of the Arbitrator shall be final and binding. This Agreement to arbitrate survives termination of Employee's employment. In any dispute arising under or in connection with this Agreement, the prevailing party shall be entitled to recover all costs and reasonable attorney's fees.

Sec. 12.7. Residency.

Unless waived by the Board for hardship or other extenuating circumstances, the City Manager must reside within the jurisdictional boundaries of Carson City as described in Carson City Charter, Section 1.030, during the term of this Agreement.

Sec. 12.8. Acknowledgment of Parties.

The parties acknowledge (a) that they have consulted with or have had the opportunity to consult with independent counsel of their own choice concerning this Agreement, and (b) that they have read and understand the Agreement, are fully aware of its legal effect, and have entered into it freely based on their own judgment and not on any representations or promises other than those contained in this Agreement.

///

IN WITNESS WHEREOF, the consolidated municipality of Carson City has caused this Agreement to be signed and executed on its behalf by its Mayor and duly attested by its Clerk-Recorder, and the Employee has signed and executed this Agreement on the day and year first set forth herein. This Agreement may be executed in separate counterparts, which shall be deemed one integrated agreement.

EMPLOYEE:

CARSON CITY:

201 N. Carson St.
Carson City, Nevada 89701

Nancy Paulson

Robert L. Crowell, Mayor

ATTEST:

APPROVED AS TO FORM:

Susan Merriwether, Clerk-Recorder

Jason D. Woodbury, District Attorney

Resolution No. 2016-R-7

**RESOLUTION OF THE BOARD OF SUPERVISORS OF CARSON CITY SETTING
FORTH THE BENEFITS FOR UNCLASSIFIED EMPLOYEES
EFFECTIVE JULY 1, 2016**

SECTION I. UNCLASSIFIED EMPLOYEES

Unclassified employees are those employees of the City, who are not hourly, temporary, or not otherwise represented by a bargaining unit. Unclassified employees for the purpose of this resolution are those employees that are appointed by the City Manager under authority of the Board of Supervisors and the employees exempted under the provision of Section 2.330(4) in the Carson City Charter. The City Manager, Chief of Alternative Sentencing, Internal Auditor and the Public Guardian are unclassified employees appointed directly by the Board of Supervisors. All unclassified employees are "At Will" and as such, may be terminated at any time for any reason, or no reason. This resolution does not serve as a contract of employment with Carson City.

SECTION II. MANAGEMENT BENEFITS PLAN

A. HOLIDAYS

The following days shall be observed as legal holidays by all employees:

- New Year's Day (January 1)
- Presidents Day (third Monday in February)
- Martin Luther King Day (third Monday in January)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Nevada Day (last Friday in October)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Family Day (day after Thanksgiving)
- Christmas Day (December 25)

Any other day that the Government of the United States, State of Nevada, or Carson City may declare a legal holiday.

When a designated holiday falls on a Saturday, the Friday before will be observed as the holiday and when the designated holiday falls on a Sunday, the Monday after will be observed as the holiday.

B. RETIREMENT

All unclassified employees shall receive full employer paid retirement while participating in the State of Nevada Public Employees' Retirement System (PERS). The City shall adjust the unclassified employees' salaries in accordance with NRS 286. Carson City will comply with all policies of the Nevada Public Employees' Retirement System (PERS).

Effective July 1, 2014, if PERS or the Nevada State Legislature takes any single action to increase the total contribution rate for the Regular Employee's Retirement Fund or the Police/Fire Employee's Retirement Fund in an amount of 1.5% or less, Carson City will pay one half of the increase up to .75%, and the Employee's salary will be reduced by one half of the increase up to .75%, however, Carson City will increase the Employee's salary on the effective date of the reduction in salary in an amount equal to the reduction made to the Employee's salary.

Effective July 1, 2014, if PERS or the Nevada State Legislature takes any single action to increase the total contribution rate for the Regular Employee's Retirement Fund or the Police/Fire Employee's Retirement Fund in an amount that exceeds 1.5%, Carson City will pay one-half of the increase and the Employee's salary will be reduced by one-half of the increase, however, Carson City will increase the Employee's salary .75% on the effective date of the reduction. (Any amount over 1.5% will be split equally between Carson City and the employee.)

C. MEDICAL INSURANCE

The City shall pay 100% of the employee cost and 50% of the dependent cost for the least expensive group medical insurance plan.

D. HEALTH INSURANCE UPON RETIREMENT

I. RETIREES WITH 15-19 YEARS OF SERVICE

The unclassified employee shall have the option of converting the health insurance coverage at the time of his separation from employment by Employer by commencing to pay 100% of the total premium. The City must pay 75% of retiree group health, dental, vision and life insurance coverage premiums plus 25% of the spouse's and eligible dependent's premium for health, dental and vision except as provided below. The City agrees to cover eligible retirees and dependents, as the term "dependents" is defined in the City's group health insurance plan in existence under the City group health insurance plan offered to active employees, as modified from time-to-time.

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree must have (i) a minimum of 15 years of full-time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree

on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified Employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.

b. The City will pay premiums for:

1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the "single employee with Medicare premium", or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree's sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City's group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the "Employee without Medicare" premium. In the event the city eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.
2. The spouse of the unclassified employee/retiree (current at time of the employee's separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the spouse will be 25% of the "single dependent with Medicare" premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.
3. Dependents (current at the time of the unclassified employee's separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age for or is otherwise eligible for federal benefits under

Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be 25% of the "single dependent with Medicare premium". After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.

- c. In the event of death of the unclassified employee/retiree, the spouse will continue to receive the subsidy benefit until death or remarriage subject to requirements above. Dependents, as defined above, will continue to receive benefits in the event of the death of the employee/retiree, as long as they meet the definition of dependents in the City group health insurance plan in effect at the time of retirement.
- d. In the event of a catastrophic injury or medical illness which forces an unclassified employee who has not reached 20 years of service and age 47 to retire from service of the city or as a Nevada PERS disability retirement, this benefit will be prorated for the employee at 5% per year of service after the employee has worked for Carson City for 10 years, up to a maximum of 90% and subject to the provisions above concerning the unclassified employee reaching the eligibility age for or being otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first. Ten years starts at 50%. The benefit under this section does not apply to spouse or dependents and does not trigger any spousal or dependent benefits Section D.
- e. If the benefits provided to retirees, their spouse and dependents under Section D are modified (reduced or eliminated) in the future, such modification shall not apply to retirees, their spouses and dependents then receiving the benefits, and the retiree, their spouse or dependent shall continue to receive the benefit on the basis specified in this Resolution.
- f. Section D is in exchange for a permanent 1.0% reduction in the unclassified employee's biweekly base salary, effective on and after July 1, 2013. Should the Board of Supervisors eliminate this benefit, the 1.0% reduction in the unclassified employee's biweekly base salary shall be restored on and after the effective date of this benefit.

II. RETIREES WITH 20 OR MORE YEARS OF SERVICE

The unclassified employee shall have the option of converting the health insurance coverage at the time of his separation from employment by Employer by commencing to pay 100% of the total premium. The City must pay 90% of retiree group health, dental, vision and life insurance coverage premiums plus 50% of the spouse's and eligible dependent's premium for health, dental and vision except as provided below. The City agrees to cover eligible retirees and dependents, as the term "dependents" is defined in the City's group health insurance plan in existence under the City group health insurance plan offered to active employees, as modified from time-to-time.

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree will have (i) a minimum of 20 years of full time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an Unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.
- b. The City will pay premiums for:
 1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the "single employee with Medicare premium", or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree's sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City's group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the "Employee without Medicare" premium. In the event the City eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.
 2. The spouse of the unclassified employee/retiree (current at time of the employee's separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the spouse will be reduced to 25% of the "single dependent with Medicare" premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier,

as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.

3. Dependents (current at the time of the unclassified employee's separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be reduced by 25% of the "single dependent with Medicare premium". After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.
- c. In the event of death of the unclassified employee/retiree, the spouse will continue to receive the subsidy benefit until death or remarriage subject to requirements above. Dependents, as defined above, will continue to receive benefits in the event of the death of the employee/retiree, as long as they meet the definition of dependents in the City group health insurance plan in effect at the time of retirement.
- d. In the event of a catastrophic injury or medical illness which forces an unclassified employee who has not reached 20 years of service and age 47 to retire from service of the City or as a Nevada PERS disability retirement, this benefit will be prorated for the employee at 5% per year of service after the employee has worked for Carson City for 10 years, up to a maximum of 90% and subject to the provisions above concerning the unclassified employee reaching the eligibility age for or being otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first. Ten years starts at 50%. The benefit under this section does not apply to spouse or dependents and does not trigger any spousal or dependent benefits Section D.
- e. If the benefits provided to retirees, their spouse and dependents under Section D are modified (reduced or eliminated) in the future, such modification shall not apply to retirees, their spouses and dependents then receiving the benefits, and the retiree, their spouse or dependent shall continue to receive the benefit on the basis specified in this Resolution.
- f. Section D is in exchange for a permanent 1.0% reduction in the unclassified employee's biweekly base salary, effective on and after July 1, 2013. Should the Board of Supervisors eliminate this benefit, the 1.0% reduction in the unclassified employee's biweekly base salary shall be restored on and after the effective date of this benefit.

E. GROUP LIFE INSURANCE

All unclassified employees shall receive \$35,000 life insurance benefit. The cost of this coverage is included in the group medical insurance plan which is fully paid by the City.

F. SICK LEAVE

All unclassified employees shall accrue ten (10) hours of sick leave each month, with unlimited accrual. Leave may be taken as it is accrued.

Unclassified employees, upon separation, having a minimum of 400 hours of earned sick leave and the below listed years of Carson City service shall be compensated for all hours up to 1080 at the following rates:

Service Years	Maximum %
10 – 14	33 1/3%
15 – 19	50%
20 – 24	75%
25 plus	100%

G. AMBULANCE

All unclassified employees and their family members who are eligible to participate in the City's insurance benefit plan are automatically enrolled in the CC-CARE+ Ambulance Membership Program. This benefit provides paramedic ambulance service as often as medically necessary with no deductibles, full coverage and no out-of-pocket expenses. This benefit shall exist only so long as the Fire Department offers the program and program benefits are subject to change. The benefit also extends to those employees who retire and remain on the City's insurance.

H. ANNUAL LEAVE

All unclassified employees who have worked from 0 to 5 years will accrue ten (10) hours of annual leave per month. Leave may be taken as it is accrued. After five years of continuous employment, an employee shall accrue fourteen (14) hours per month, with a proportional amount for each uncompleted month. A maximum of 300 hours may be carried forward from year to year. Any exception must be pre-approved by the City Manager and in the case of the City Manager, Chief of Alternative Sentencing, Internal Auditor and the Public Guardian, by the Board of Supervisors.

I. MANAGEMENT LEAVE

Unclassified employees shall receive eighty (80) hours of management leave during each fiscal year and a proportional amount for each incomplete year. All unused management leave shall be deleted from the employee's account as of June 30th of each year and no compensation shall be paid for that portion of unused management leave.

J. PAY RANGES

All Unclassified employees will be paid within established pay ranges. The Board approved the Pontifex compensation schedule in 2015, which establishes one compensation schedule that has grades which contain Classified and Unclassified positions. In August, 2015, the Board approved the Carson City Employee's Association contract that increases the ranges by 1.75% each year. In order to keep the single compensation schedule and to prevent compaction of the ranges, the Board approves the following:

Effective July 1, 2016 through July 1, 2020, the bottom and top of each grade will be adjusted upward by 1.75%.

K. PERFORMANCE PAY

All unclassified employees may receive an annual merit increase for work performance upon the recommendation of their supervisor or the appointing authority at a maximum of five percent (5%) per year until the employee reaches the top of the pay range for the position. There will be a two percent (2%) pay increase in recognition of an overall "meets expectations" rating; a three and one-half percent (3 ½%) increase in recognition of an overall "above expectations" rating; a five percent (5%) increase in recognition of an overall "outstanding" rating.

L. TEMPORARY DUTY PAY

When a qualified unclassified employee is assigned to a higher rank for a period of ninety (90) days or more, said employee shall receive an additional ten (10%) percent of his/her base wage for the higher rank being filled.

M. EXEMPT EMPLOYEES – FLSA GUIDELINE

Unclassified positions have been reviewed using FLSA guidelines and are exempt from overtime. If an unclassified employee is absent for less than one day with Department Director's approval, the employee shall not be required to use annual, sick or administrative leave for said absence, nor will the employee's salary be adjusted.

N. GENERAL BENEFITS

In addition to the benefits listed above, unclassified employees are eligible for the following general benefits:

- a. Workers Compensation
- b. Mileage, City Vehicle or Vehicle allowance, as determined by the City Manager and in the case of the City Manager, Internal Auditor, Chief of Alternative Sentencing or Public Guardian, by the Board of Supervisors.
- c. Direct Deposit of payroll checks
- d. Repair or replacement of personal property, if damaged, lost or destroyed, while performing job related duties.
- e. Military Leave
- f. Family Medical Leave Act (FMLA) leave
- g. Bereavement leave

- h. Employee Assistance Program (EAP)
- i. Voluntary participation in Deferred Compensation Plan (457)
- j. Voluntary participation in Flexible Spending Plan (125)

O. EFFECTIVE DATE

The terms of this resolution shall be effective as of July 1, 2016.

Upon motion by Supervisor Brad Bonkowski, seconded by Supervisor Jim Shirk, the foregoing motion was passed and adopted this 2nd day of June, 2016, by the following vote:

AYES: Supervisor Brad Bonkowski
Supervisor Jim Shirk
Supervisor Karen Abowd
Supervisor Lori Bagwell
Mayor Robert Crowell

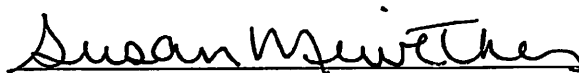
NAYS: None.

ABSENT: None.

ABSTAIN: None.


ROBERT L. CROWELL, Mayor

ATTEST:


SUSAN MERRIWETHER, Clerk - Recorder

ATTACHMENT B – City Manager’s Agreement

VOLUNTARY SEPARATION AGREEMENT, WAIVER AND RELEASE

This **Voluntary Separation Agreement, Waiver and Release** (hereinafter “Agreement”), is made and entered into on this ____ day of _____, _____, by and between Carson City, a consolidated municipality and political subdivision of the State of Nevada, (hereinafter referred to as “Carson City”) and Nancy Paulson (hereinafter “Employee”), Interim City Manager, an unclassified position with Carson City. In consideration paid for Employee’s years of service and other promises and covenants set forth herein, the parties agree as follows:

1. **Separation from Employment:** Employee’s employment with Carson City is terminated effective with the close of business on the ____ day of _____, _____ (hereinafter referred to as “Separation Date”).
2. **Payment to Employee:** In consideration of Employee’s promises and performance and execution of this Agreement, Carson City will provide Employee with a lump sum payment of \$_____ less applicable federal withholding.
3. **Benefits:** Subsequent to the Separation date, Employee’s health insurance coverage will be effective through the ____ day of _____, _____. Effective _____, Employee will be eligible to participate in COBRA (Consolidated Omnibus Benefits Reconciliation Act) at a cost specific to her choice of coverage. Payment amount and information will be sent to Employee’s home address following her Separation date.
4. **Confidential Information:** Employee agrees that in the course of her employment with Carson City she may have come to know certain general and specific information which is deemed confidential to Carson City and hereby agrees that he will not disclose any confidential information to any person or other entity or for any personal or business purpose. However, Employee agrees to cooperate as a witness for Carson City in any lawsuit or claim which she may have knowledge that would benefit Carson City.
5. **Reference:** Except as provided in paragraph 7, below, Carson City Human Resources Department agrees to abide by the City policy and only provide dates of employment and position title in the event it is called upon to provide a reference of employment for Employee. In accordance with City policy, Carson City agrees not to provide comments relating to the substance of the work performed by Employee for Carson City.
6. **Release of Carson City and Waiver of Claims:** Employee hereby fully, finally and completely releases, waives and forever discharges Carson City, together

with all of its respective officials, elected officials, officers, directors, employees, and agents (the "Released Parties"), of and from and waive to the maximum extent permitted by law, all claims, demands, liabilities, damages, actions, causes of action, costs and expenses of every kind whatsoever, past, present, and future, whether known or unknown, arising out of or relating to employment with Carson City as of and prior to the date Employee executes this Agreement. This release and waiver of claims includes without limitation:

- a. Claims in connection with Employee's employment relationship, the terms and conditions of her employment, and the employment practices of Carson City.
- b. Claims in connection with the separation of employment of Employee and her employment status, Employee's retirement, and the circumstances regarding the separation.
- c. Claims of any nature whatsoever that may be raised under any federal, state or local law, constitution, statute, regulation or any other legal theory.
- d. Claims of discrimination on the basis of race, religion, sex, sexual orientation, age, color, national origin, ancestry, disability, medical condition, or other employment claims recognized under federal, state or local law for injury to Employee including, but not limited to, any claim arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, including the Civil Rights Act of 1991, the Americans with Disabilities Act, Nevada Revised Statute Chapter 613, and any other federal, state, and/or local anti-discrimination laws.
- e. Employee hereby acknowledges that he knowingly and voluntarily enters into this Agreement with the purpose of waiving and releasing any claims she may have under the Age Discrimination in Employment Act of 1967, as amended by the Older Workers' Benefit Protection Act of 1990 ("ADEA"), and federal, state, and local anti-discrimination laws ("FSLAL") and as such, she acknowledges and agrees that:
 - i. this Agreement is written in a manner she fully understands;
 - ii. she specifically waives any rights or claims arising under the ADEA or FSLAL;
 - iii. the rights and claims waived in this Agreement are in exchange for consideration over and above anything to which Employee is already entitled;
 - iv. Employee acknowledges that by receipt of an executed copy of this Agreement, Carson City has advised her in writing to consult with an attorney prior to executing this Agreement, and that he has had an opportunity to do so;
 - v. Employee agrees that she has (i) received all compensation due her as a result of services performed for Carson City with receipt of her final paycheck; (ii) reported to Carson City any and all work-related injuries incurred by her during her employment with Carson

City; and (iii) been properly provided any leave of absence because of her or a family member's health condition and has not been subjected to any improper treatment, conduct or actions due to a request for or taking such leave.

- vi. Employee has been given a period of at least twenty-one (21) calendar days to consider this Agreement. She knowingly and voluntarily waives the remainder of the 21-day consideration period, if any, following the date she signed this Agreement. She further agrees that she has not been asked by Carson City to shorten her time period for consideration regarding whether to sign this Agreement. Carson City has not threatened to withdraw or alter the benefits due her prior to the expiration of the 21-day period nor has Carson City provided different terms to her because she has decided to sign this Agreement prior to the expiration of the 21-day consideration period. She further agrees that she understands that having waived some portion of the 21-day consideration period, Carson City may expedite the processing of benefits provided to her in exchange for signing this Agreement; and
- vii. Employee acknowledges that she has a period of seven (7) calendar days within which she may revoke her acceptance of this Agreement, and this Agreement will not be effective until the seven-day revocation period has been exhausted. She further acknowledges that should she choose to change her mind and revoke this Agreement within seven days after signing it, she must return it with written revocation notice to the Carson City Human Resources Department. In addition, this Agreement will not be effective until after the seven-day period has expired and no benefits will be received until after the Agreement is effective. If the revocation day expires on a weekend or holiday, Employee has until the end of the next business day to revoke.

7. **Not a Confidential Agreement:** Carson City and Employee agree that Employee is a chief executive public officer and the existence and terms of this Agreement are not confidential. Employee agrees that Carson City may disclose the existence and terms of this Agreement to the officials and employees of Carson City to the extent necessary to administer the terms of this Agreement and may freely discuss and comment upon any matter regarding Employee that was first raised in a public meeting.

Employee further agrees that this Agreement may be used as evidence in a subsequent proceeding in which Carson City or he allege a breach of this Agreement or as a complete defense to any lawsuit. In addition, this Agreement may be released if there is an issue relating to unemployment benefits. Carson City may also disclose to State employees necessary to administer the terms of the agreement.

8. **Severance Pay:** Employee agrees that the payment under this agreement also constitutes severance pay under NRS 612.420, which may affect the number of weeks he may be eligible for unemployment benefits.
9. **Carson City Property:** Employee agrees to return all confidential information, computer hardware or software, files, papers, memoranda, correspondence, customer lists, financial data, credit cards, keys, tape recordings, pictures and security access cards, and any other items of any nature which were or are the property of Carson City. She further agrees not to retain any copies of any such property in her possession or under her control.
10. **Entire Agreement:** The parties acknowledge that this Agreement contains the entire understanding of the parties, that it supersedes all oral and any written agreement and understandings between Employee and Carson City and that this Agreement may not be modified, changed, or altered except in a written amendment. This Agreement is to be construed solely as a reflection of the parties' desire to facilitate a harmonious separation of employment and to ensure that no unresolved issues exist between them. Following the revocation period, this Agreement will be final and binding.

Employee promises that she will not pursue any claim that she has settled by this Agreement. If she breaks this promise, she agrees to pay all of Carson City's costs and expenses (including reasonable attorneys' fees) related to the defense of any claims. The promise not to sue does not apply to claims that she may have under the OWBPA and the ADEA. Although she is releasing claims that she may have under the OWBPA and the ADEA, she understands that she may challenge the knowing and voluntary nature of this Agreement under the OWBPA and the ADEA before a court, the Equal Employment Opportunity Commission (EEOC), the National Labor Relations Board (NLRB), or any other federal, state or local agency charged with the enforcement of any employment laws. She understands, however, that if she pursues a claim against Carson City under the OWBPA and/or the ADEA, a court has the discretion to determine whether Carson City is entitled to restitution, recoupment, or set off (hereinafter "reduction") against a monetary award obtained by her in the court proceeding. A reduction never can exceed the amount she recovers, or the consideration she received for signing this Agreement, whichever is less. She also recognizes that Carson City may be entitled to recover costs and attorney's fees incurred by Carson City as specifically authorized under applicable law. She further understands that nothing in this Agreement prevents her from filing a charge or complaint with or from participating in an investigation or proceeding conducted by the EEOC, NLRB, or any other federal, state or local agency charged with the enforcement of any employment laws, although by signing this Agreement she is waiving her right to individual relief based on claims asserted in such a charge or complaint.

Employee agrees that the validity of this Agreement shall be construed under Nevada law. She further agrees that should any part of this Agreement be found to be void or unenforceable by a court of competent jurisdiction, that determination will not affect the remainder of this Agreement.

11. **Opportunity to Discuss:** Employee represents and agrees that she is fully aware of her right to discuss any and all aspects of this matter with Carson City's Human Resources Department and that she was specifically advised to consult with her own counsel prior to executing this Agreement. Employee further represents that she has carefully read and fully understands all of the provisions of this Agreement and that she was given a reasonable period in which to consider this Agreement and that she is entering into this Agreement knowingly, voluntarily, and without coercion or pressure.
12. **Notice:** Any notice to be given to Carson City shall be deemed sufficient if addressed to Carson City and personally delivered or mailed to Carson City, Human Resources Department, 201 N. Carson St., Suite 4, Carson City, NV 89701. Any notice to be given to Employee shall be deemed sufficient if addressed to her and personally delivered or mailed to the address Employee has provided to the Human Resources Department as her current address.
13. **Changes to this Document:** Employee agrees that changes, whether material or immaterial, do not restart the running of the 21-day consideration period.

The parties have signed this Agreement on the dates written by the signatures below, to be effective on the eighth day after this Agreement is signed by the parties so long as Employee has not revoked her acceptance of the Agreement. If Employee does not sign this Agreement and return it on or before the _____ day of _____, _____ then this Agreement shall be null and void.

Carson City:

By: _____

Date: _____

Name: _____

Title: _____

Employee Signature/Name:

Date: _____