



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** June 6, 2019

**Staff Contact:** Melanie Bruketta, Human Resources Director

**Agenda Title:** For Possible Action: To conduct a public meeting to review and evaluate the performance of Nancy Paulson, City Manager, to establish an overall rating of her performance over the past year which may make her eligible for a merit increase in the same manner as other unclassified employees pursuant to the Unclassified Resolution and to adopt performance objectives for fiscal year 2020. (Melanie Bruketta, mbruketta@carson.org)

Staff Summary: Pursuant to the City Manager's employment contract, in June of each year, the Board will conduct a public meeting to review and evaluate the performance of the City Manager. The City Manager is eligible for merit increases in the same manner as other unclassified employees pursuant to the Unclassified Resolution. At this meeting, the Board will also adopt the City Manager's performance objectives for fiscal year 2020. The City Manager was served with the "Notice of Meeting of the Board of Supervisors" on May 23, 2019.

**Agenda Action:** Formal Action / Motion                      **Time Requested:** 60 minutes

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### Proposed Motion

I move establish the rating of the City Manager's major job responsibilities as [below expectations, meets expectations, above expectations or outstanding], to establish her overall performance rating based on the performance of the major job responsibilities and the accomplished objectives as [below expectations, meets expectations, above expectations or outstanding] and to adopt the following performance objectives for fiscal year 2020:\_\_\_\_\_.

### Board's Strategic Goal

Organizational Culture

### Previous Action

This is the first performance review for Nancy Paulson, City Manager.

### Background/Issues & Analysis

The Board of Supervisors entered into an employment contract with Nancy Paulson, City Manager on December 20, 2018. The employment contract states in part:

Sec. 4.1. Performance Review: The Parties agree that in June of each year, beginning with June, 2019, the Board will conduct a public meeting to review and evaluate the performance of Paulson as City Manager. The Parties further agree that Paulson will be eligible for merit increases in the same manner as other unclassified employees pursuant to the Unclassified Resolution.

Mrs. Paulson was served on May 23, 2019 with the Notice of Meeting of the Board of Supervisors to consider her character, alleged misconduct, professional competence, or physical or mental health. Set forth in the

employment contract and the draft performance review is a list of the City Manager's major job responsibilities. A list of the performance objectives for fiscal year 2019 is also provided for the Board's review along with a summary of the status of each objective. In addition, the Board is provided with a list of possible performance objectives for Fiscal Year 2020. The Board is asked to review the City Manager's job performance of the major job responsibilities and the accomplishment of the fiscal year 2019 performance objectives and provide a rating on the performance of the major job responsibilities and the overall job performance taking into account the accomplishment of the fiscal year 2019 objectives. In addition, the Board is asked to adopt the performance objectives for the City Manager for fiscal year 2020.

**Applicable Statute, Code, Policy, Rule or Regulation**

N/A

**Financial Information**

**Is there a fiscal impact?** Yes

**If yes, account name/number:** General Fund 101-0600-413.01-01

**Is it currently budgeted?** Yes

**Explanation of Fiscal Impact:** The fiscal impact will depend on the overall job performance rating. Merit increase percentages are as follows: Below expectations: 0%, meets expectations 2%, above expectations 3.5% and outstanding 5%. The fiscal year 2020 salary range for the City Manager is \$147,287.31-\$189,369.41. The City Manager's current annual salary is \$177,683.00.

**Alternatives**

N/A- the employment contract entered into between the Board of Supervisors and the City Manager requires a public meeting in June to review the City Manager's performance.

**Attachments:**

[N. Paulson Draft Evaluation 2019.docx](#)

[Nancy Objectives 2.pdf](#)

[Notice of Meeting.pdf](#)

[Employment agreement.pdf](#)

**Board Action Taken:**

Motion: \_\_\_\_\_

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



## City Manager Performance Evaluation

Name Nancy Paulson Review Period 7/1/2018-6/30/2019

### Major Job Responsibilities

1. To make every reasonable effort to ensure that all State and federal laws and regulations and all ordinances, policies and procedures of the City are enforced; and that all franchises, permits, leases, agreements, contracts, and privileges granted or entered into by the City are faithfully observed.
2. To control, order, give direction to, appoint, promote, discipline, and demote or remove heads of departments and subordinate officers and employees of the City in a manner that is most beneficial to the City and in accordance with all applicable laws, policies and procedures, including the terms of any applicable collective bargaining agreement, and to exercise reasonable discretionary authority to organize, reorganize, consolidate or combine offices, positions, departments or other units of the City as permitted by the Charter, the Carson City Municipal Code, and State law.
3. To exercise day-to-day control over and supervision of all departments and divisions of City government and all appointed officers and employees within those departments and divisions to the extent authorized by law.
4. To prepare, in consultation with and upon consent of the Mayor, all agendas for meetings of the Board and to exercise reasonable discretionary authority in determining the timing, order, content and recommendation of prepared agendas and the items for consideration, deliberation and action as deemed necessary and in the best interest of the City. Unless directed otherwise by the Mayor, Board policy, resolution or other Board action, shall in good faith and at all times attempt to accommodate an agenda item request by an individual member of the Board.
5. To attend all meetings of the Board, the Carson City Liquor and Entertainment Board and the Carson City Redevelopment Authority, unless excused by the Mayor or the Mayor Pro Tempore, and any other meeting of a public body of the City or function related to official City business as directed by the Board.
6. To recommend, as necessary and appropriate, the approval, authorization or adoption of any action, resolution or ordinance of the Board or the Redevelopment Authority that is in the best interest of the City, and to make any other reports and recommendations as may be desirable or requested by the Board.
7. To exercise, at all times, good and reasonable judgment in keeping the Board fully advised at various times and places, and as appropriate or necessary, regarding the operational, financial, general condition and needs of the City.
8. To timely prepare and submit to the Board and the State of Nevada the annual budgets for the City and to any other state or federal agency all required filings, and to faithfully administer such reports or filings as may be required.

Comments:

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Outstanding

Above Expectations

Meets Expectations

Below Expectations

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Overall Rating

Comments:

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Outstanding

Above Expectations

Meets Expectations

Below Expectations

Objectives/priorities for next performance period:

(Can be revised and prioritized by Board of Supervisors)

1. Maintain compliance with FY 20 Budget and develop FY 21 Budget.
2. IT Software Implementation.
3. Develop FY 2021-2025 Strategic Plan.
4. Work with the DA's Office on the comprehensive revision of the Carson City Municipal Code.
5. Begin the process of performing a Master Plan update.
6. Begin the process of creating the South Carson Street Neighborhood Improvement District (NID).
7. Review base budget methodology to identify efficiencies and accurately reflect the needs of the Departments / Offices.
8. Perform thorough review and update of policies in Policytech.
9. Work with Socrata to redesign / update the City's Performance Dashboard.
10. Complete downtown parking study to identify parking needs and solutions.
11. Look at feasibility of expanding the BLS ambulance program.



OBJECTIVE	STRATEGIC GOALS	STATUS	COMMENTS
<p>Maintain compliance with FY 19 Budget and develop FY 20 budget with a goal to maintain the City's ending fund balance at a minimum of 8.3% and bring forth the City's fiscal policies for review and possible amendment</p>	<p>Efficient Government / Sustainable Infrastructure</p>	<p><b>Budget</b> :The fund balance in the General Fund at the end of FY 19 is projected to be 13.7% of expenditures. A portion of that fund balance is being used to fund Capital and deferred maintenance in FY 20 (\$7.3 million) while still maintaining an ending fund balance of 8.8%. <b>Financial and Budget Policies:</b> Updated financial and budget policies to include: <b>1.</b> Increasing General Fund reserves to a minimum of 8.3% with a goal of 16.7%. <b>2.</b> Outline the functions of the Internal Finance Committee. <b>3.</b> Address litigation settlement authority. <b>4.</b> Outline Capital Improvement Program funding sources: <b>a)</b> A minimum of \$0.05 of the City's operating property tax rate posted to the General Fund will be transferred to the Extraordinary Maintenance Fund annually to begin building restricted reserves for the asset management program. <b>b)</b> Using excess landfill revenue to fund capital needs of the Landfill and maintain 10% of the excess for landfill closure costs. <b>5.</b> Update Enterprise Fund financial stabilization policies.</p>	
<p>Engage Collaborative Teams / Strengthen Employee Development / Establish the "tone at the top"</p>	<p>Organizational Culture</p>	<p>September 2018 - Shortly after appointment, held a <b>Leadership Retreat</b> for City Directors designed to foster team building among departments, provide leadership training and strategic planning. This will be an annual event that will also be used as a planning tool for the annual Board of Supervisors Retreat. January 2019 - Reformatted <b>Board Retreat</b> to facilitate the exchange of ideas between the Board and staff and to obtain input and direction from the Board on key issues. Human Resources has developed "mini" <b>in-house training programs</b> that are specific to the City and/or specific job functions. These trainings are designed to bring employees together that have similar functions throughout the City to develop peer relationships and increase employee retention rates. In line with our commitment of continuous improvement, we are in the process of conducting an <b>Internal Services Survey</b> (Finance, Risk Management, HR, IT, Purchasing and Contracts, Fleet, and Facilities Maintenance) to gain insight from the Departments and employees they serve. What's working, what's not and suggestions/ideas for improvement. <b>Direct Reports:</b> To promote team building and leadership, changed bi-weekly direct reports meetings from being held at City Hall to rotating among the various Directors' Departments where they can showcase their operations and the functions they perform.</p>	
<p>IT Software Implementation</p>	<p>Efficient Government</p>	<p><b>Implementation Status:</b> <b>Devnet - Property Tax and Computer Aided Mass Appraisal (CAMA)</b> Assessor - scheduled Go Live July 2019, Treasurer - November 2019. <b>ERP Replacement - Tyler Technology</b> Phase 1 – Financials – In Progress – Scheduled to Go Live July 1, 2019 (Beginning of FY20) Phase 2 – Community Development (EnerGov) – In Progress – Scheduled to Go Live October/November 2019 Phase 3 – Human Capital Management &amp; ExecuTime – In Progress – Scheduled to Go Live December 20, 2019 (1st Pay Period of Calendar Year 2020) Phase 4 – Enterprise Asset Management – Pre kickoff meeting scheduled for May 2019 – Estimated Go Live February/March 2020 Phase 5 – Utility Billing – Kickoff scheduled for May 2019 - Estimated Go Live February/March 2020</p>	

OBJECTIVE	STRATEGIC GOALS	STATUS	COMMENTS
<p>Examine City owned properties that are no longer needed for public purposes and could be used for affordable housing or sold for economic development.</p> <p>Identify technical corrections needed to the Carson City Lands Bill for submittal to US Congress.</p>	<p>Efficient Government / Quality of Life and Community</p>	<p><b>Disposal of City Properties:</b> Developed an inventory of City owned property that is no longer needed for public purposes and could be disposed of for economic development or to be used for affordable / workforce housing. In January 2019, the Board directed staff to initiate due diligence in preparation of a proposed resolution declaring the intent to sell these identified properties and initiate due diligence to determine whether to convey a portion of 3410 Butti Way (APN 010-037-03) for development of affordable housing and prepare a proposed Request for Proposals to be reviewed by the Board in order to seek proposals from qualified developers through a competitive process.</p> <p><b>Carson City Public Lands Correction Act (Lands Bill):</b> We are currently working with our Federal Lobbyists, The Porter Group, and Congressman Amodei's Office in Washington DC on technical corrections to the Carson City Lands Bill for congressional approval. City staff identified potential technical corrections including: 1. Property the City wishes to acquire and property where the City requests the reversionary interests be removed.</p> <p>2. Property that should be disposed of for economic development and others that are deemed for public purpose but are a maintenance burden and liability for the City.</p> <p>3. Text corrections for clarification.</p>	
<p>Pavement Management and Street Maintenance</p>	<p>Sustainable Infrastructure</p>	<p><b>Infrastructure Tax:</b> Amended the Plan of Expenditure for the V &amp; T Infrastructure Tax to allow City to use \$754,000 of accumulated reserves for the Roop Street Rehabilitation and East Clearview Drive Preservation Projects. Also, approximately \$390,000 will be available annually to fund street and highway preservation and rehabilitation projects in accordance with the City's Pavement Management Plan.</p> <p><b>Roadway Impact Fee:</b> The new Solid Waste Collection Services Franchise Agreement effective 7/1/19 includes a 3% franchise fee to address roadway impacts - approximately \$305,000 annually. <b>Legislation:</b> Worked with the City's Lobbyists and NACO and testified in support (based on Board Action) of SB48 to impose an additional tax on diesel fuel which would add approximately \$400,000 for City roads.</p>	
<p>Agenda Process</p>	<p>Efficient Government</p>	<p>Working with the District Attorney's Office to develop policies and procedures and provide training on the process of developing an agenda item. Streamlined procedures to upload staff report directly into Granicus and eliminate the need for a separate word document.</p>	
<p>Rifle Range</p>	<p>Safety</p>	<p>Implemented reduced hours at the range when safety concerns were brought to the City's attention. Contracted for two range safety assessments conducted by the Tactical Services Group and the NRA Range Technical Team. Implemented the Range Task Force to seek the community's help in developing a plan to reopen the range while still ensuring the safety of the public at the range as well as the landfill. Final design is almost complete for the shooting bays and improvements should begin June / July 2019.</p>	
<p>Manage and oversee compliance with the 1/8% sales tax revenue projects</p>	<p>Economic Development/Quality of Life and Community</p>	<p>South Carson Street project is at 60% design with construction to begin early 2020. Submitted a FY 20 appropriations request to our US senators and representatives requesting federal funding of \$6 million to match the City's contribution of \$6 million from sales tax revenues for the East William Street Corridor Project. Followed up by meeting with members of the Nevada Congressional Delegation in Washington DC in May 2019 to discuss our proposal highlighting the various benefits of the project to include the update of aging infrastructure, safety improvements and the beautification of the capital city's eastern corridor.</p>	
<p>Provide a status report on motel task force code enforcement activities.</p>	<p>Quality of Life and Community / Safety</p>	<p>An update on task force activities was provided at the February 21, 2019 Board of Supervisors meeting. The task force continues to inspect properties. The owner is provided with the outcome of the inspection and the code violations that were noted. If violations are not corrected, the case is turned over to the DA's office to initiate the legal process. During the year, the task force completed inspections of 4 motels and issued 2 citations that were resolved through the courts.</p>	

OBJECTIVE	STRATEGIC GOALS	STATUS	COMMENTS
Provide Board updates on the status of City projects, 2019 Legislative Session, keep Board informed of important issues and include Board members on policy decisions	Efficient Government	Provided Legislative updates to the Board at each BOS meeting during the session and brought several proposed Senate and Assembly bills to the Board for a vote to support, oppose or to remain neutral. Kept Board informed of important City issues and projects at our biweekly meetings and sought input on any policy decisions.	
Negotiate a new solid waste collection services franchise agreement that provides for: • Mandatory residential service • Automated single stream recycling service • Residential green waste collection • Commercial recycling	Quality of Life and Community	<b>Aug - Oct 2018</b> - 5 proposals were received with staff recommending moving forward with WM of NV for solid waste and recyclable materials franchise collection services based on their proposal providing the best value for collection services. <b>Dec 2018</b> - 15-year franchise agreement was approved by the Board. Bi-weekly franchise rollout status meetings are being held with WM to prepare for July 1, 2019 implementation of the new agreement.	
Expand partnership with the Carson City Culture & Tourism Authority.	Economic Development	CTA Executive Director is now attending monthly City update meetings that include all city departments. Working with CTA to amend agreement with the City to provide for trails coordination services with the recent BOS approval of a full-time Trails Coordinator position and adding language to give the City the ability to charge event organizers for facility use, equipment and other services provided by the City. In addition, working with CTA to review and update room tax collection policies and the 28-day stay exemption.	





May 23, 2019

Nancy Paulson  
City Manager  
201 N. Carson Street, Suite 2  
Carson City, NV 89701

Hand-Delivered

Re: Notice of Meeting of the Board of Supervisors to consider your character, alleged misconduct, professional competence, or physical or mental health.

Dear Ms. Paulson:

In connection with your performance evaluation, the Board of Supervisors (Board) may consider your character, alleged misconduct, professional competence or physical or mental health at its meeting on June 6, 2019. The meeting will begin at 8:30 a.m. at the Carson City Community Center, Sierra Room, 851 E. William St., Carson City, Nevada. The meeting is a public meeting, and you are welcome to attend. The Board will consider the following general topics: your performance as the City Manager, your job description, your job duties, your performance objectives for fiscal year 2019 and fiscal year 2020, the status of the fiscal year 2019 performance objectives, and matters properly related thereto. You are welcome to attend the meeting and have an attorney or other representative of your choosing present, present written evidence, provide testimony, and present witnesses relating to your character, alleged misconduct, professional competence, or physical or mental health.

If the Board determines it necessary after considering your character, alleged misconduct, professional competence, or physical or mental health, it may take administrative action against you at this meeting. This action may include, but is not limited to, a determination as to whether or not to provide a merit increase. This informational statement is in lieu of any notice that may be required pursuant to NRS 241.034.

As an at-will public officer of the City serving at the pleasure of the Board of Supervisors, the City shall not be obligated to provide any form of progressive discipline and may terminate the employment not-for-cause. This notice is provided to you under NRS 241.033 and NRS 241.034.

Sincerely,

A handwritten signature in cursive script that reads "Melanie Bruketta".

MELANIE BRUKETTA  
Human Resources Director



**PROOF OF SERVICE**

I, Melanie Bruketta, hereby swear or affirm under penalty of perjury, that in accordance with NRS 241.033 and NRS 241.034, I served the foregoing Notice of Meeting of the Carson City Board of Supervisors to consider character, alleged misconduct, competence, or physical or mental health

X By personally serving it on Nancy Paulson at 201 N. Carson St., Suite 2, Carson City, NV 89701 on this 23<sup>rd</sup> day of May, 2019.

\_\_\_\_\_ By depositing it in the United States Mail, postage prepaid, certified mail # \_\_\_\_\_, addressed to Nancy Paulson at 201 N. Carson St., Suite 2, Carson City, NV 89701 on this \_\_\_ day of May, 2019.

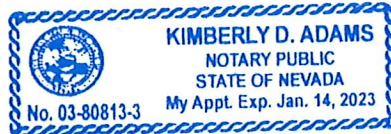
Melanie Bruketta  
Signature of person making service

State of Nevada     )  
                                  ) ss:  
Carson City            )

Signed and sworn to (or affirmed) before me by Kimberly D. Adams  
(name)

on 5/23/19  
(date)

[Signature]  
Notary Public



Commission Expires Jan. 14, 2023

## CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ( "Agreement"), is hereby made and entered into this 20<sup>th</sup> day of December, 2018 ("Effective Date"), by and between the CARSON CITY BOARD OF SUPERVISORS ("Board"), acting on behalf of Carson City, a consolidated municipality and political subdivision of the State of Nevada ("City"), and Nancy Paulson ("Paulson"), each of whom may be hereinafter individually referred to as "Party" and collectively as "Parties."

### RECITALS

WHEREAS, Carson City is a consolidated municipality, and pursuant to Nevada law under Nevada Revised Statutes ("NRS") Chapter 244 and the Carson City Charter ("Charter") is duly authorized to appoint a City Manager to serve as the Chief Administrative Officer of the City;

WHEREAS, it is the desire of the Board, acting on behalf of the City, to retain the professional services of Paulson as City Manager for Carson City; and

WHEREAS, it is also the desire of Paulson to be employed by the City as City Manager;

NOW THEREFORE, in consideration of the mutual promises, covenants and exchange of consideration contained herein, the sufficiency of which is expressly acknowledged by the Parties, the Parties do hereby agree to the following terms and conditions of employment by the City of Paulson as City Manager:

### TERMS AND CONDITIONS

#### **Section 1. Term, Salary and Renewal.**

Sec. 1.1. **Initial Term**. The City hereby agrees to employ Nancy Paulson as City Manager to perform the functions and duties of the position as required or authorized by the Charter and NRS, and as further set forth herein. Paulson's date of employment will commence on the Effective Date and continue until December 20, 2020 ("Initial Term"), unless sooner terminated in accordance with this Agreement.

Sec. 1.2. **Salary**. In exchange for Paulson's service, the City agrees to pay Paulson an annual salary of \$177,683.00, commencing on the Effective Date of this Agreement and payable in the same manner as other employees of the City. The City further agrees to direct PERS contribution adjustments for Paulson in accordance with the most current *Resolution of the Board of Supervisors of Carson City Setting Forth the Benefits for Unclassified Employees* ("Unclassified Resolution"), as may be amended.

Sec. 1.3. **Renewal.** Commencing upon the expiration of the Initial term and then for each subsequent month thereafter ("Subsequent Monthly Term"), Paulson's employment as City Manager may continue on a month-to-month basis until such time a new agreement is entered into or unless either Party elects to terminate Paulson's employment as City Manager by notifying the other Party in accordance with this Agreement. All compensation, benefits and every other term and condition of this Agreement shall remain in full force and effect without modification during any Subsequent Monthly Term.

## **Section 2. Position, Duties, and Responsibilities.**

Sec. 2.1. Paulson agrees to perform and discharge the official duties of the City Manager, which as required by Art. 3, Section 3.020 of the Charter are to carry out the policy of the Board and to perform any other associated duties and functions as authorized by law and as the Board may from time to time assign.

Sec. 2.2. Paulson agrees that as the City Manager, Paulson will be responsible for the efficient administration of all affairs of the City which are normally within the authority of the City Manager acting as the Chief Administrative Officer pursuant to the Charter. In addition to any general powers as the Chief Administrative Officer for the Executive Department of Carson City government, and not as a limitation thereon, it shall be Paulson's duty and authority to perform the following:

### **Sec. 2.2.1. Enforcement.**

To make every reasonable effort to ensure that all State and federal laws, any regulations adopted thereto and all ordinances, policies and procedures of the 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.**

To control, order, give direction to, appoint, promote, discipline, and demote or remove heads of departments and subordinate officers and employees of the City in a manner that is most beneficial to the City and in accordance with all applicable laws, policies and procedures, including the terms of any applicable collective bargaining agreement, and to exercise reasonable discretionary authority to organize, reorganize, consolidate or combine offices, positions, departments or other units of the City as permitted by the Charter, the Carson City Municipal Code, and State law.

Sec. 2.2.3. **Control and Supervision.**

To exercise day-to-day control over and supervision of, in general, all departments and divisions of City government and all appointed officers and employees within those departments and divisions to the extent authorized by law.

Sec. 2.2.4. **Agenda Preparation.**

To prepare, in consultation with and upon consent of the Mayor, all agendas for meetings of the Board and to exercise reasonable discretionary authority in determining the timing, order, content and recommendation, if any, of prepared agendas and the items for consideration, deliberation and action as deemed necessary and in the best interest of the City. Unless directed otherwise by the Mayor, Board policy, resolution or other Board action, Paulson shall in good faith and at all times attempt to accommodate an agenda item request by an individual member of the Board.

Sec. 2.2.5. **Attend Meetings.**

To attend all meetings of the Board, the Carson City Liquor and Entertainment Board and the Carson City Redevelopment Authority, unless excused by the Mayor or the Mayor Pro Tempore, and any other meeting of a public body of the City or function related to official City business as directed by the Board.

Sec. 2.2.6. **Recommendations.**

To recommend, as necessary and appropriate, the approval, authorization or adoption of any action, resolution or ordinance of the Board or the Redevelopment Authority that is in the best interest of the City, and to make any other reports and recommendations as may be desirable or requested by the Board.

Sec. 2.2.7. **Inform and Advise.**

To exercise, at all times, good and reasonable judgment in keeping the Board fully advised at various times and places, and as appropriate or necessary, regarding the operational, financial, general condition and needs of the City.

Sec. 2.2.8. **Annual Budget.**

To timely prepare and submit to the Board and the State of Nevada the annual budgets for the City and to any other state or federal agency all required filings, and to faithfully administer such reports or filings as may be required.

Sec. 2.2.9. **Salary Plan.**

To prepare and recommend to the Board a salary plan for classified and unclassified employees and appropriate revisions to provisions in the Carson City Municipal Code relating to City personnel and the Unclassified Resolution.

Sec. 2.2.10. **Investigation of City Matters.**

To investigate or direct investigation into matters and affairs of the City and any department or division thereof, including, without limitation, the proper performance of any contractor obligation of the City.

Sec. 2.2.11. **Investigation of Complaints.**

To investigate or direct investigation of all complaints concerning the City's administration of government and services provided by the City, including, without limitation, services provided by City utilities.

Sec. 2.2.12. **Supervision of Public Property.**

To exercise general supervision over all buildings, parks, streets and other public property, whether personal or real property, which are under the control and jurisdiction of the City. Except as otherwise directed by the Board, specific budget parameters or contract, Paulson may determine the assignment of offices and work space for City departments, divisions, agencies, officers and employees and shall further provide the Mayor and members of the Board with suitable office accommodations in such locations as will enable them to perform their official duties.

Sec. 2.2.13. **Full Time Duties.**

To be, at all times, in the exclusive employment of the City and to be devoted to the duties set forth in this Agreement and to the interests of the City.

Sec. 2.2.14. **Other Powers and Duties.**

To 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. The Parties agree that if Paulson is physically absent from work for any period of time which renders Paulson unable to communicate with or direct control over the

affairs of the City and personnel, Paulson will appoint a duly qualified person to perform the necessary duties of City Manager during that period of absence.

Sec. 3.2. The Parties further agree that if Paulson suffers from a disability that results in an absence from work, the Board may appoint, at its sole discretion, a duly qualified person to perform the duties of the City Manager during that period of disability.

#### **Section 4. Performance Evaluation and Benefits.**

Sec. 4.1. **Performance Review**. The Parties agree that in June of each year, beginning with June, 2019, the Board will conduct a public meeting to review and evaluate the performance of Paulson as City Manager. The Parties further agree that Paulson will be eligible for merit increases in the same manner as other unclassified employees pursuant to the Unclassified Resolution.

Sec. 4.2. **Miscellaneous Benefits**. The Parties agree that except as otherwise provided or otherwise inconsistent with the terms and conditions set forth in this Agreement, Paulson is entitled to any cost sharing, payment or other benefit provided in relation to PERS contributions, holidays, retirement, insurance and leave benefits, as set forth in the Unclassified Resolution.

Sec. 4.3. **Automobile Allowance**. The City agrees to pay Paulson an annual automobile allowance of \$3,900.00, payable in bi-weekly installments concurrently with regular payroll installments for salary. The Parties further agree that this allowance does not include and is in lieu of any mileage reimbursement benefit.

Sec. 4.4. **Insurance Subsidies after Separation from Employment**. Subject to the conditions described herein, the Parties agree that upon resignation, retirement or termination, Paulson may elect to continue coverage under the City's medical, dental, vision and life insurance plans. Upon election, the City agrees to pay 90% of the cost of premiums, and, if requested, 50% of the cost of premiums for Paulson's spouse and any eligible dependents, for medical, dental, and vision except as provided below. The Parties further agree that if Paulson elects not to maintain coverage under the City's plans of insurance at the time of resignation, retirement or termination, and later elects to resume coverage, the City will not pay the premium subsidies described herein. At such time Paulson reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, any insurance premium paid by the City on behalf of Paulson will be reduced to 50% contribution towards the premium applicable to a single employee with Medicare. Paulson expressly understands and agrees that the City's group insurance plan is secondary to Medicare coverage and that to receive the 50% premium subsidy, Paulson must comply with any requirements pertaining to Medicare which are imposed by the City's insurance carrier, as may be amended from time to time, or as otherwise required by law. The City agrees that so long as Paulson remains on the City's insurance plans after resignation, retirement or termination, Paulson is entitled to the premium subsidies described herein until death. If Paulson resigns or is

terminated from employment under this Agreement, Paulson may elect to maintain coverage with the City only if she pays 100% of the cost of premiums to remain on the City's insurance plans until such time she retires under Nevada PERS and is eligible for the subsidies described herein.

If applicable, and subject to the conditions described herein, the spouse of Paulson who is covered by the City's insurance plan at the time of Paulson's resignation, retirement or termination will be entitled to receive from the City a 50% contribution towards the cost of premiums for the City's insurance plans. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, any insurance premium paid by the City on behalf of the spouse will be reduced to 25% contribution towards the premium applicable to a single dependent with Medicare. Paulson expressly understands and agrees that the City's group medical insurance plan is secondary to Medicare coverage and that to receive the 25% premium subsidy, the spouse must comply with any requirements pertaining to Medicare which are imposed by the City's group medical insurance carrier, as may be amended from time to time, or as otherwise required by law. The City agrees that so long as the spouse remains on the City's insurance plans after Paulson's resignation, retirement or termination and does not leave the plan at any time, the spouse will be entitled to the premium subsidies described herein until death of the spouse or divorce. If Paulson divorces after resignation from City employment, the former spouse will no longer be eligible for any premium subsidies. In the event of Paulson's death, the spouse will continue to receive the premium subsidies described herein until the death or remarriage of the spouse. If Paulson resigns or is terminated from employment under this Agreement, Paulson may elect to maintain coverage with the City for her spouse only if she pays 100% of the cost of premiums for her spouse to remain on the City's insurance plans until such time she retires under Nevada PERS and is eligible for the subsidies described herein.

If applicable, and subject to the conditions described herein, eligible dependents of Paulson who are covered by the City's insurance plan at the time of Paulson's resignation, retirement or termination will be entitled to receive from the City a 50% contribution towards the cost of premiums for the City's insurance plans until those dependents reach age 26, or so long as any such dependent continues to meet the definition of "dependent" as that term may be defined in the City's group medical plan in effect at the time of Paulson's resignation, retirement or termination. If a dependent remains on the plan after the age of 26, when the dependent reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, any insurance premium paid by the City on behalf of the dependent will be reduced to 25% contribution towards the premium applicable to a single dependent with Medicare. Paulson expressly understands and agrees that the City's group insurance plan is secondary to Medicare coverage and that to receive the 25% subsidy, the eligible dependent must comply with any requirements pertaining to Medicare which are imposed by the City's insurance carrier, as may be amended from time to time, or as otherwise required by law. The City agrees that so long as an eligible dependent remains on the City's insurance plan after Paulson's resignation, retirement or



termination and does not leave the plan at any time, the dependent will be entitled to the premium subsidies described herein until death. In the event of Paulson's death, an eligible dependent will continue to receive the premium subsidies described herein until the dependent's death and so long as the dependent continues to meet the definition of "dependent" as that term may be defined in the City's medical insurance plan in effect at the time of Paulson's resignation, retirement or termination. If Paulson resigns or is terminated from employment under this Agreement, Paulson may elect to maintain coverage with the City for her eligible dependents only if she pays 100% of the cost of premiums for her dependents to remain on the City's insurance plans until such time she retires under Nevada PERS and is eligible for the subsidies described herein.

Sec. 4.5. **Medicare.** The City agrees to pay Medicare payments on behalf of Paulson in the same manner as such payments are made for any other unclassified employee in accordance with the Unclassified Resolution.

Sec. 4.6. **Equipment and Phone Allowance.** The City agrees to provide to Paulson all equipment, including, without limitation, computer equipment and software, reasonably necessary for Paulson to perform the essential functions of the City Manager position, subject to and in accordance with all applicable City policies for the provision of such equipment. The City further agrees to pay Paulson an annual cell phone allowance of \$960.00, payable in bi-weekly installments concurrently with regular payroll installments for salary.

#### **Section 5. Hours of Work.**

The Parties recognize and agree that as the City Manager, Paulson must devote a great deal of time outside the normal office hours to the affairs of the City, and to that end Paulson is authorized to take periodic time off for personal matters during the day and to work occasionally from home as reasonably appropriate or necessary. Paulson agrees to maintain at all times her electronic communication link with the City while taking such liberties during normal office hours.

#### **Section 6. Dues and Contributions.**

The City agrees to budget and to pay for reasonable professional dues and subscriptions of Paulson necessary for continued membership in associations and organizations necessary and desirable for the continued professional growth and advancement of Paulson as such growth and advancement relates directly to the position of City Manager. The Board reserves the right to review any such expenses on a periodic basis to ensure the reasonableness of any payments.

#### **Section 7. Professional Development.**

The City agrees to budget and pay for reasonable travel and subsistence for Paulson as may be necessary for official travel to meetings and other events as such travel relates

directly to the position of City Manager. The Board reserves the right to review these expenses on a periodic basis to ensure reasonableness of any payments and the necessity or appropriateness of any such travel. Paulson agrees to comply at all times with City travel policies.

### **Section 8. General Expenses.**

The City recognizes that certain expenses of a non-personal and job-affiliated nature may be incurred by Paulson in relation to the duties and responsibilities of City Manager, and hereby agrees to reimburse or to pay for such expenses in accordance with existing City policies. The Board reserves the right to review these expenses on a periodic basis to ensure the reasonableness of any payments.

### **Section 9. Termination and Resignation.**

Sec. 9.1. **At-Will Employment.** Notwithstanding any other provision provided herein, Paulson expressly accepts and agrees that this Agreement does not in any way modify the nature of Paulson's employment as an at-will employee. Paulson further agrees that the terms and conditions set forth in this Agreement are for the purpose of establishing general duties of the Parties and terms related to salary, benefits and conditions pertaining to separation from employment, and that the Board, acting on behalf of the City, may terminate the employment of Paulson at any time, with or without cause.

Sec. 9.2. **Obligations after Separation from Employment.** Paulson agrees that in the event of resignation, retirement or termination, Paulson must promptly and immediately return to the City all property owned by the City and in the possession of Paulson. Paulson further agrees to cooperate fully with the City in its defense of or other participation in any administrative, judicial or other proceeding arising from any charge, complaint or other action that has been or may be filed.

Sec. 9.3. **Severance.** Except as otherwise provided herein, the City agrees to pay to Paulson a severance payment if her employment as City Manager is terminated. The Parties agree that such severance will be in the amount equal to six (6) months of base salary otherwise payable to Paulson, including applicable PERS contributions, at the rate of pay to which Paulson is entitled at the time of termination. The severance must be paid in one lump sum payment unless otherwise agreed to by the Parties. In addition, the City will pay 100 percent of existing health insurance premiums for her, her spouse, and any dependent for a period of 6 months after the date of termination. The City further agrees to pay Paulson for all accrued leave, including, without limitation, management leave, in accordance with the provisions set forth in the Unclassified Resolution. Notwithstanding any other provision herein, if Paulson is terminated for cause, including, without limitation, misappropriation or embezzlement of public property or funds, a conviction of any gross misdemeanor involving violence or moral turpitude, a

conviction of a felony, or a willful refusal to fulfill the duties of the City Manager, Paulson forfeits all severance pay, excluding accrued leave.

Sec. 9.4. **Resignation**. Paulson expressly recognizes and agrees that the position of City Manager is critical to the proper functioning the City as a local governmental entity, and therefore it is imperative to the City that reasonable notice be provided to the Board before voluntary resignation by Paulson. Accordingly, Paulson agrees that unless as otherwise waived by the Board, Paulson must provide not less than 30 calendar days' written notice to the City of the intent to resign.

Sec. 9.5. **Termination by Death**. The Parties agree that employment shall terminate automatically upon death. In the event of death, the City shall pay to Paulson's beneficiaries or estate, as applicable, any compensation due and owing at the time of death, and shall further pay in a lump sum the amount of Paulson's salary and benefits, including PERS contributions, through the second full month after death. Thereafter, all obligations of the City under this Agreement for payment of compensation shall cease except as otherwise provided in Section 4.4 of this Agreement. Nothing in this provision shall be construed to affect any entitlement of Paulson's heirs to the benefits of any life insurance plan or other applicable benefits.

Sec. 9.6. **Termination by Disability**. The Parties agree that if Paulson is unable to perform the essential functions of City Manager with a reasonable accommodation pursuant to the American with Disabilities Act 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 Paulson's employment. In that event, the City will not be obligated to pay severance but shall pay to Paulson all compensation to which Paulson 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 the Unclassified Resolution. Thereafter, all of the obligations of the City under this Agreement shall cease. Nothing in this provision shall be construed to affect Paulson's rights under any disability plan in which Paulson may be a participant.

Sec. 9.7. **Cooperation in Pending Work**. Paulson agrees that following the expiration of the Initial Term of this Agreement and any Subsequent Monthly Term, Paulson will fully cooperate with the City in all matters relating to the transition of pending work of Paulson made on behalf of the City and the orderly transfer of duties to Paulson's successor as City Manager. Paulson further agrees to cooperate in the defense of any action brought by a third-party against the City that relates in any way to Paulson's acts or omissions while employed by the City. If Paulson's cooperation in the defense of any such action requires more than ten (10) hours of Paulson's time, the Parties will mutually agree on appropriate remuneration such time and any related expense.

## **Section. 10. 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 Paulson's 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, Paulson 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 11. General Provisions.**

Sec. 11.1. **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 Paulson. Paulson's address is set forth in the employment records Paulson is required to provide to the Human Resources Department. Each Party agrees to notify the other of any change in address. Notice of change of address shall be effective only when made in accordance with this provision.

Sec. 11.2. **Entire Agreement.** This Agreement is intended to be the final, complete, and exclusive statement of the terms of Paulson's employment by the City. This Agreement supersedes all other prior and contemporaneous agreements and statements pertaining in any manner to the employment of Paulson, 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 Paulson and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

Sec. 11.3. **Amendments, Waivers.** This Agreement may not be modified or amended except by an instrument in writing, signed by Paulson and by a duly authorized representative of the 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. 11.4. **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. 11.5. **Governing Law.** The validity, interpretation, enforceability and performances of this Agreement shall be governed by and constructed in accordance with the laws of the State of Nevada.

Sec. 11.6. **Arbitration.** Any claim or controversy between Paulson 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, Paulson's compensation. The Parties 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 Paulson'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. 11.7. **Residence.** Unless waived by the Board for hardship or other extenuating circumstances, Paulson must reside within the jurisdictional boundaries of Carson City as described in Art. 1, Sec. 1.030 of the Charter, during the term of this Agreement.

Sec. 11.8. **Acknowledgment of Parties.** The Parties acknowledge that they have consulted with or have had the opportunity to consult with independent counsel of their own choice concerning this Agreement, and that they have read and understand this 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.

Sec. 11.9. **Counterparts.** This Agreement may be executed in separate counterparts, which together shall be deemed as one integrated agreement.

**(the remainder of this page left intentionally blank;  
signatures to follow on the next page)**

IN WITNESS WHEREOF, the City has caused this Agreement to be signed and executed on its behalf by its Mayor and duly attested by its Clerk-Recorder, and Paulson has signed and executed this Agreement, all on the day and year first set forth herein.

**EMPLOYEE:**

Nancy Paulson

  
Signature

**CARSON CITY:**

201 N. Carson St., Ste. 2  
Carson City, Nevada 89701

  
Robert L. Crowell, Mayor

**ATTEST:**

  
Aubrey Rowlett, Clerk-Recorder

**APPROVED AS TO FORM:**

  
J. Daniel Yu, Assistant District Attorney