



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** June 18, 2020

Staff Contact: Melanie Bruketta, Human Resources Director

Agenda Title: For Possible Action: Discussion and possible action regarding the work performance of Nancy Paulson, City Manager, over the past year, including the designation of an overall performance rating and the adoption of performance objectives for fiscal year 2021. (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; however, Ms. Paulson has volunteered to forgo any merit increase associated with her job performance rating. At this meeting, the Board may also adopt the City Manager’s performance objectives for fiscal year 2021. The City Manager was served with the “Notice of Meeting of the Board of Supervisors” on May 22, 2020.

Agenda Action: Formal Action / Motion **Time Requested:** 45 minutes

Proposed Motion

I move to designate the City Manager’s overall performance rating as [SELECT ONE: "below expectations," "meets expectations," "above expectations" or "outstanding"] and to adopt the following performance objectives for fiscal year 2021: _____.

Board's Strategic Goal

Organizational Culture

Previous Action

June 6, 2019: The Board of Supervisors established the rating of the City Manager’s major job responsibilities as "above expectations," and an overall performance rating, based on the performance of the major job responsibilities and the accomplished objectives, as "above expectations." In addition, the Board adopted the City Manager's performance objectives for FY 2020.

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.

On May 22, 2020, Ms. Paulson was served 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 2020 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 2021. The Board is asked to review the City Manager's job performance of the major job responsibilities and the accomplishment of the fiscal year 2020 performance objectives and provide a rating on the overall job performance. In addition, the Board is asked to adopt the performance objectives for the City Manager for fiscal year 2021.

Applicable Statute, Code, Policy, Rule or Regulation

N/A

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: FY 21 salary savings to General Fund / City Manager Department / Account 1010600-500101

Is it currently budgeted? Yes

Explanation of Fiscal Impact: The fiscal year 2021 salary range for the City Manager is \$149,864.84 - \$192,683.37. The City Manager's current annual salary is \$183,901.95.

Merit increase percentages are based on the overall job performance rating as follows: "Below expectations" at 0%; "meets expectations" at 2%; "above expectations" at 3.5%; and "outstanding" at 5%. However, Ms. Paulson has volunteered to forgo any merit increase associated with her job performance rating, a savings of approximately \$6,437 plus corresponding benefits in FY 21.

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:

[Paulson 2020 review 6.18.20 final.docx](#)

[Nancy Objectives 2020 Final.pdf](#)

[Employment_agreement.pdf](#)

[meeting notice.pdf](#)

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)



City Manager Performance Evaluation

Name Nancy Paulson

Review Period 7/1/2019-6/30/2020

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.

Overall Rating

Comments:

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 21 Budget and develop FY 22 Budget.
2. IT Software Implementation – Implementation of remaining modules.
3. Finalize FY 2021-2025 Strategic Plan, including projected capital needs. When developing the plan take into consideration the projected budget figures and only include in the plan those items that can realistically be achieved.
4. Work with the DA's Office on the comprehensive revision of the Carson City Municipal Code.
5. Continue the public outreach and workshops with the Planning Commission to review and update Title 18.
6. Implement the South Carson Street Neighborhood Improvement District (NID) assessment for FY 2022.
7. Continue thorough review and update of policies in Policytech.
8. Work with Socrata to redesign / update the City's Performance Dashboard.
9. Website re-design and update of FAQs.
10. 2021 Legislative Session - work with State Lobbyists to streamline the process of reviewing Bills, provide Legislative updates to the Board at each BOS meeting during session, bring proposed Senate and Assembly Bills that will impact the City to the Board for a vote to support, oppose, or remain neutral, and provide testimony at the Legislature when necessary.
11. Work on finding additional funding for street projects.
12. Conduct Employee Satisfaction Surveys annually.

OBJECTIVE	STRATEGIC GOALS	STATUS
<p>Maintain compliance with FY 20 Budget and develop FY 21 budget in accordance with Carson City's Financial and Budget Policies.</p>	<p>Efficient Government / Sustainable Infrastructure</p>	<p>The fund balance in the General Fund at the end of FY 20 is projected to be 10% of expenditures. A portion of that fund balance is being used to fund Capital and deferred maintenance in FY 21 (\$2.6 million) while maintaining an ending fund balance of 8.5%. Prior to the Declaration of Emergency due to the COVID-19 pandemic, the City was in a great financial position where \$9.4 million was available for the Capital Improvement Program and ending fund balance was budgeted at 8.3% for FY 21. The Chief Financial Officer (CFO) is providing monthly financial updates to the Board so that timely budget decisions can be made if/when necessary based on current economic conditions.</p>
<p>IT Software Implementation</p>	<p>Efficient Government</p>	<p>Implementation Status: Devnet - Property Tax and Computer Aided Mass Appraisal (CAMA): Assessor - Go Live July 2019, Treasurer - May 2020. ERP Replacement - Tyler Technology: Financials – Go Live July 1, 2019 Community Development (EnerGov) – Go Live November 2019 Human Capital Management & ExecuTime – Go Live December 20, 2019 (1st Pay Period of Calendar Year 2020) Utility Billing – Estimated Go Live by the end of 2020 Enterprise Asset Management Software: Selection of Lumin ReadyAsset. Contract will be brought to the BOS after July1.</p>
<p>Develop FY 2021-2025 Strategic Plan, including projected capital needs. When developing the plan take into consideration the projected budget figures and only include in the plan those items that can realistically be achieved.</p>	<p>Economic Development/ Efficient Government / Organizational Culture / Quality of Life and Community / Safety / Sustainable Infrastructure</p>	<p>In November 2019, City staff began the process of developing the FY 2021-2025 Strategic Plan. The current plan was prepared with the help of an outside consultant, but staff decided to try to do this in-house leveraging the expertise of our Department Directors and Elected Officials. Departments and Elected Offices were asked to review the existing plan to determine what objectives have been accomplished, the objectives that need to be carried forward to the next 5-year plan and what new objectives needed to be set. All of this information was accumulated using smartsheet. We maintained the pillars from our existing plan: Economic Development, Efficient Government, Organizational Culture, Quality of Life and Community, Safety and Sustainable Infrastructure. For each specific objective, we asked the Departments to identify key staff, funding sources, fiscal year and performance measures. This information was presented at the City's annual Board Retreat to gather input and direction from the Board. Following this discussion, the Board along with Elected Officials and Directors were asked to vote for their top priorities. Priority 1 objectives will have the top priority of the Board and staff so that significant progress can be made or they can be completed over the next 5 years. Priority 2 objectives will be worked on as time and resources allow. The remaining objectives were kept on the list as priority 3. The next step is to solicit input from Carson City residents by posting on the City's website. After that a draft plan will be developed and presented to the Board of Supervisors.</p>

OBJECTIVE	STRATEGIC GOALS	STATUS
<p>Work with the DA's Office on the comprehensive revision of the Carson City Municipal Code.</p>	<p>Efficient Government</p>	<p>At the end of August 2019, the District Attorney's Office completed the Ordinance Drafting Manual that will guide the drafting of ordinance text going forward. The manual was designed to reconstruct the CCMC in a way that precisely captures the intent of the Board of Supervisors and is plainly understandable by the public and the City employees who are bound to enforce its provisions.</p> <p>Since the completion of the Drafting Manual, the District Attorney's Office has also finalized a draft ordinance, which will soon be presented to the Board of Supervisors for consideration on first reading, which revises existing criminal ordinances for consistency with recent changes in Nevada statutes and to remove unnecessary duplication or redundancies.</p> <p>Additionally, the District Attorney's Office has nearly completed its identification of all internal ordinance references to Nevada Revised Statutes to determine the accuracy of those citation references and to propose updates or removal of references where references are obsolete. Further, a tentative outline for the reorganization of Title I of the Municipal Code is complete. This outline will help steer the structure of the entire Municipal Code. Next, once the Community Development Department submits to the District Attorney's Office its proposed revisions to Titles 17 (Division of Land, Subdivision of Land), 18 (Zoning) and Title 18 Appendix (Carson City Development Standards), the District Attorney's Office will review those proposed revisions for further edits (both technical and substantive) before finalization and presentation to the Board for adoption. Finally, the District Attorney's Office is working on a concrete plan to present all clerical changes to the Board for adoption. Because there are logistical hurdles for codification purposes, including, for example, the potential for inconsistencies in internal references and organizational structure (such as the sequencing of sections and subsections of Code) if titles or chapters are not adopted simultaneously, careful consideration has to be given to whether to adopt clerical changes to all of CCMC at once or in segments. Work on the Carson City Municipal Code, however, has been progressing steadily despite significant time and attention that had to be diverted to unforeseen litigation matters and other emergency issues resulting from the coronavirus pandemic since the date of the last update to this Board.</p>
<p>Begin the process of performing a Master Plan update. Prior to beginning the process, this item needs to be brought forward to the Board of Supervisors for consideration and direction.</p>	<p>Quality of Life and Community</p>	<p>During the Board's strategic planning process in 2019, the Board of Supervisors determined that a review and update of Title 18, the Zoning Code, was a priority over an update of the Master plan. The Board did not fund a Master Plan update in the FY 2020 budget and directed staff to initiate a review of Title 18 with the Planning Commission. It was anticipated that a comprehensive update of Title 18 would take approximately 2 years.</p> <p>The Community Development Department initiated a review of Title 18 with the Planning Commission and began public outreach in 2019. Five workshops were conducted with the Planning Commission in 2019 and 2020, and the Commission made recommendations to the Board of Supervisors regarding one chapter of Title 18 at its last workshop. Review of that chapter was scheduled to go to the Board of Supervisors for additional public comment and Board comment. However, the public workshops were put on hold due to the recent prohibition of the public attending public meetings or workshops. Title 18 public workshops will resume when the public can attend the meetings and participate in the discussion regarding changes to Title 18. Alternatively, if the public is not permitted to attend public meetings for an extended period, the Community Development Department will continue to identify possible amendments with the Planning Commission and solicit public comments through online outreach methods.</p>

OBJECTIVE	STRATEGIC GOALS	STATUS
Begin the process of creating the South Carson Street Neighborhood Improvement District (NID).	Sustainable Infrastructure	<p>The Public Works and Community Development Departments coordinated to create the framework for implementing the South Carson Street NID. Notification was sent to all property owners in the proposed NID and an informational meeting with property owners was conducted by Public Works to explain the purpose of the NID. In early 2020, the Board of Supervisors approved the proposed framework for implementing the NID assessment.</p> <p>The Board of Supervisors delayed the implementation of the South Carson Street NID to FY 2022 in order to give City staff time to further evaluate the status of former NDOT parcels along the right-of-way and how those properties will factor into the NID assessments. The Board allocated Redevelopment funding in FY 2021 to bridge the gap in maintenance between the completion of the project in early 2021 and the beginning of FY 2022 when the assessment is anticipated to be implemented.</p>
Review base budget methodology to identify efficiencies and accurately reflect the needs of the Departments / Offices.	Efficient Government	<p>The Finance Department works closely with Department Business Managers to develop and review annual budgets. For the FY 21 budget cycle, Departments were encouraged to thoroughly review each budget line item and reduce budgets where they have excess funding instead of just rolling-forward whatever was available from the prior year. However, due to the City's budget methodology and significant cuts made during the recession, there is very little excess, so no real reductions were made. Finance rolls-forward the prior year Services and Supplies line items with no automatic increase, increases are only given when it is clear that costs have risen contractually. We have a pretty efficient system.</p> <p>Budget savings go towards capital equipment and improvements, so directors are encouraged to save money that in turn will be used to fund their capital needs.</p>
Perform thorough review and update of policies in Policytech.	Efficient Government / Organizational Culture	<p>All policies in Policytech are reviewed each year by the Human Resources Director. A complete revision / update was done to the City's Drug and Alcohol Policies which are now in final review. Because we live in an ever-changing world, policies are constantly needing to be reviewed, revised, and updated as well as new policies created. 2020 brought about drastic changes in the way the City operates with the outbreak of COVID-19. With this brought the need for new policies to address issues that most of us had never contemplated. The following new policies were created and implemented: Mandatory Teleworking, Families First Coronavirus Response Act and COVID-19 Infectious Disease Control Policy Phase 1.</p>
Work with Socrata to redesign / update the City's Performance Dashboard. Prior to spending additional funding on this project, an internal working group should be created to provide guidance on the City's goals.	Efficient Government	<p>Met with representatives from Socrata on February 26, 2020 to discuss the redesign / update of the City's Performance Dashboard. The upgrade to the Performance Dashboard is included with our existing subscription. Once we have finalized the City's Strategic Plan for the next 5 years and have identified key performance measures, Socrata will set us up with a project team that will facilitate the building of the performance dashboard and measures.</p>
Complete downtown parking study to identify parking needs and solutions.	Economic Development/ Efficient Government	<p>The Transportation Division and Community Development Department coordinated to initiate the downtown parking study in 2019, with parking data from both during and after the 2019 Nevada Legislature session. The report was completed by the consultant team and delivered to the City in early 2020. A presentation of the report to the Board of Supervisors has been delayed due to recent meeting attendance limitations. City staff will coordinate to bring a presentation to the Board of Supervisors summarizing the parking study by July 2020.</p>

OBJECTIVE	STRATEGIC GOALS	STATUS
Look at feasibility of expanding the BLS ambulance program.	Efficient Government / Safety	On July 27th 2019, BLS ambulance coverage was expanded to 7 days a week 12 hours a day. This included adding 2 additional BLS employees. Prior to that, the BLS ambulance was on Monday - Friday 8 hours a day. Going forward, the Fire Chief will continue to monitor the utilization. The Master Plan should be completed by the end of this month. This included evaluating the Fire Department's current ALS and BLS service and will include recommendations for the future.
Open the Rifle Range	Safety	The City invested more than \$800,000 for safety improvements to the Range including upgrades to backstops and berms, drainage, target frame holders, storage, and signage to ensure the facility meets the National Rifle Association guidelines. In addition, the Board funded a full time Range Coordinator to oversee operations and maintenance of the facility. The range officially opened May 7, 2020. On May 21, 2020, the Board approved a fee schedule for the Rifle and Pistol Range effective July 1, 2020, and authorized the Finance Department to direct all revenues into a designated account for future operations, maintenance and management of the Range facilities. In May 2020, staff completed the range reservation policy and are finalizing Standard Operating Procedures (SOP) for the facility. After 6 months of operation, the reservation policy, fee schedule, and SOPs will be revisited for modifications, if needed. More information on the range can be found at www.carson.org/range .
Bring forth an agreement to the Board on Marlette.	Quality of Life and Community / Safety / Sustainable Infrastructure	<p>This July, we will be halfway through a 2 year water agreement with the State to purchase water from the Marlette Lake Water System (MLWS).</p> <p>The Truckee Meadows Water Authority (TMWA) is also looking to purchase water from the MLWS. Before they enter any agreement with the State, involving Storey and Carson City, they have requested that the State put together a water master plan followed by a rate study, that recognizes all the interests and parties who rely on the resource. Although the work is underway, the water master plan and rate study are not imminent.</p> <p>However, we are currently working with TMWA on a Memorandum of Understanding between Storey County, Carson City and TMWA in order to better define interests. The MOU is more imminent than the master plan/rate study, pending Storey County's review, and will hopefully lay out the groundwork for any future agreement.</p>
Begin working on possible solutions for State lands on South Carson Street, the Advocates property and the State mall property.	Economic Development	The City has been in discussions with the State over the past year regarding the former Armory site adjacent to South Carson Street. These discussions were primarily related to the use of the property as a construction staging and storage area for the South Carson Complete Streets Project. However, during these conversations, the State representatives mentioned that there is no immediate plan to either sell the property for private development or develop the site for internal use as a future Nevada Department of Public Safety complex. Based on these discussions and the timing of the South Carson Complete Streets Project construction, staff strategized to revisit and continue talks with the State after the completion of the project.

OBJECTIVE	STRATEGIC GOALS	STATUS
Bring to the Board a proposal on the 28-day motel exemption.	Quality of Life and Community / Safety / Economic Development	<p>The Community Development Director gave a presentation on long-term stay motels at the Board's Annual Retreat on February 27, 2020. Possible alternatives were: Amend CCMC (Chapter 4.08) to eliminate long-term stay transient lodging tax exemption, amend CCMC (Title 18) to eliminate grandfathering of existing long-term stay motels, require all hotels and motels to provide services (cleaning, linens, etc) per NRS 447, convert hotel/motel to residential (bringing up to current codes), or continue basic health-safety inspections. Information regarding the number of long-term stay motel rooms (claiming exemption) in relation to the total number of hotel/motel rooms was requested from the Culture and Tourism Authority (CTA). Once that information is reviewed the next step is to decide whether to 1) eliminate the 28-day exemption from transient lodging tax for motels, 2) require all motels to provide cleaning and linen service as required for motels by NAC, or 3) continue with current motel inspection program.</p>
Work on finding additional funding for street projects.	Sustainable Infrastructure	<p>Public Works staff coordinated with the District Attorney's office to develop an Ordinance for implementation of the SB 48 \$0.05/gallon diesel tax as directed by the Board of Supervisors in November 2019. This new revenue source was approved at the June 4th BOS meeting, for collection starting August 1st. Annual revenues are anticipated at approx. \$400k. Working through the Regional Transportation Commission (RTC), staff developed a Pro Rata Contribution Developer Agreement Template that can be used to secure additional funding for development-related impact to the transportation system, including traffic control devices. This has generated \$66k in FY 20 and an additional \$150-250k is anticipated for FY 21.</p> <p>Public Works gave a presentation on "Transportation Funding Options" at the Board's Annual Retreat on February 27, 2020. Based on direction from the Board, Public Works staff met with a consultant to initiate the process of developing a scope of work to evaluate various funding mechanisms to fill the funding gap in maintaining the City's roadway system. The evaluation is tentatively planned to start after the beginning of the new fiscal year.</p>

CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement"), is hereby made and entered into this 20th 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



May 22, 2020

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 18, 2020. 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. 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 2020 and fiscal year 2021, the status of the fiscal year 2020 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,

MELANIE BRUKETTA
Human Resources Director