



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** December 17, 2020

Staff Contact: Melanie Bruketta, Human Resources Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed City Manager Employment Agreement (“Agreement”) between Carson City Manager Nancy Paulson and Carson City, to be effective December 17, 2020 to June 30, 2025, for a starting annual base salary of \$190,500 for the first year and a 5% increase beginning on July 1, 2021 and on July 1 of each subsequent year of the Agreement. (Melanie Bruketta, mbruketta@carson.org)

Staff Summary: Nancy Paulson is employed as the City Manager for Carson City. Her current employment agreement expires on December 20, 2020. This new Agreement for Ms. Paulson is being submitted for review, discussion and proposed approval by the Board of Supervisors (“Board”) before execution by the parties. The Agreement incorporates various provisions establishing the duties and obligations of the parties, the term of the Agreement and salary and other benefits.

Agenda Action: Formal Action / Motion **Time Requested:** 10 minutes

Proposed Motion

I move to approve the Agreement as presented.

Board's Strategic Goal

Organizational Culture

Previous Action

June 18, 2020 - The Board performed a review and evaluation of Ms. Paulson's performance for Fiscal Year ("FY") 2020 and established her overall performance rating as “above expectations.”

June 6, 2019 - The Board performed a review and evaluation of Ms. Paulson's performance for FY 2019 and established her overall performance rating as “above expectations.”

December 20, 2018 - The Board approved the current “City Manager Employment Agreement” between Carson City and Nancy Paulson, effective December 20, 2018 to December 20, 2020.

Background/Issues & Analysis

Ms. Paulson served as the Deputy City Manager for Carson City from August 28, 2017 to June 2, 2018. Thereafter, the Board appointed Ms. Paulson to the position of Interim City Manager, effective June 3, 2018. On December 20, 2018, the Board appointed Ms. Paulson to the position of City Manager under the terms of the “City Manager Employment Agreement,” which expires on December 20, 2020.

A new proposed agreement for the continuation of Ms. Paulson's employment as the City Manager is included with this item for review and possible approval by the Board. Most of the terms and conditions of the new

Agreement do not deviate from the previous employment agreement. However, the following terms and conditions are proposed changes:

1. The term of the Agreement is December 17, 2020 to June 30, 2025.
2. The base salary is established at \$190,500 in the first year of the Agreement, with an automatic annual increase of 5% to the salary beginning on July 1, 2021 and on July 1 of each subsequent year of the Agreement.
3. The Board may, but is not required to, conduct a public meeting at such times the Board deems appropriate or necessary to review and evaluate the performance of Paulson as the City Manager. Irrespective of any decision by the Board to conduct or not conduct a public meeting to evaluate the performance of Ms. Paulson, Ms. Paulson will meet individually with each member of the Board on or before June 30 of each year of the Agreement to receive input concerning her performance.
4. At the end of each FY, Paulson will be paid up to 40 hours of accrued management leave that is unused.

Applicable Statute, Code, Policy, Rule or Regulation

Section 3.020 of the Carson City Charter; NRS 244.125 to 244.135, inclusive.

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: General Fund / City Manager Department 1010600-500101

Is it currently budgeted? Yes

Explanation of Fiscal Impact: The City Manager position has been budgeted for FY 21.

Alternatives

Do not approve the Agreement as presented and provide alternative direction.

Attachments:

[City Mgr Agreement 2020_redline MB edits 12.4.20_DYU edits_clean.doc](#)

[City Mgr Agreement 2020_redline MB edits 12.4.20_DYU edits_clean_highlights.doc](#)

Board Action Taken:

Motion: _____	1) _____	Aye/Nay
	2) _____	_____

(Vote Recorded By)

CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement"), is hereby made and entered into this 17th day of December, 2020 ("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;

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

WHEREAS, this Agreement supersedes any previous agreement between the Parties concerning the employment of Paulson as City Manager for Carson City; and

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. Except as otherwise provided in Section 1.3 of this Agreement, Paulson's date of employment will commence on the Effective Date and continue until June 30, 2025 ("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 ONE HUNDRED NINETY THOUSAND FIVE HUNDRED DOLLARS AND 00/100 (\$190,500.00), commencing on the Effective Date of this Agreement and payable in the same manner as wages or salaries are customarily paid to other employees of the

City. The City also agrees that beginning with July 1, 2021 and on July 1 of each subsequent year of this Agreement, the salary of Paulson will automatically increase by five percent. 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* or its equivalent successor document (“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 the Board may, but is not required to, conduct a public meeting at such times the Board deems appropriate or necessary to review and evaluate the performance of Paulson as City Manager. The Parties further agree that: (1) irrespective of any decision by the Board to conduct or not conduct a public meeting pursuant to this Section, Paulson will meet individually with each member of the Board on or before June 30 of each year of this Agreement to receive comments, recommendations, assessments and critiques regarding the performance of Paulson as City Manager; and (2) this Section shall not be construed as exempting the Parties from any provision of the Nevada Open Meeting Law, codified as NRS chapter 241.

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. The Parties further agree that at the end of each fiscal year, Paulson will be paid for accrued management leave that has not been used, payable in an amount not to exceed 40 hours.

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 management leave, in addition to any other leave required to be paid 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

CARSON CITY:

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

Signature

Brad Bonkowski
Acting Mayor / Mayor Pro Tempore

ATTEST:

APPROVED AS TO FORM:

Aubrey Rowlett, Clerk-Recorder

J. Daniel Yu, Assistant District Attorney

CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement"), is hereby made and entered into this 17th day of December, 2020 ("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;

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

WHEREAS, this Agreement supersedes any previous agreement between the Parties concerning the employment of Paulson as City Manager for Carson City; and

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. Except as otherwise provided in Section 1.3 of this Agreement, Paulson's date of employment will commence on the Effective Date and continue until June 30, 2025 ("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 ONE HUNDRED NINETY THOUSAND FIVE HUNDRED DOLLARS AND 00/100 (\$190,500.00), commencing on the Effective Date of this Agreement and payable in the same manner as wages or salaries are customarily paid to other employees of the

City. The City also agrees that beginning with July 1, 2021 and on July 1 of each subsequent year of this Agreement, the salary of Paulson will automatically increase by five percent. 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* or its equivalent successor document (“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 the Board may, but is not required to, conduct a public meeting at such times the Board deems appropriate or necessary to review and evaluate the performance of Paulson as City Manager. The Parties further agree that: (1) irrespective of any decision by the Board to conduct or not conduct a public meeting pursuant to this Section, Paulson will meet individually with each member of the Board on or before June 30 of each year of this Agreement to receive comments, recommendations, assessments and critiques regarding the performance of Paulson as City Manager; and (2) this Section shall not be construed as exempting the Parties from any provision of the Nevada Open Meeting Law, codified as NRS chapter 241.

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. The Parties further agree that at the end of each fiscal year, Paulson will be paid for accrued management leave that has not been used, payable in an amount not to exceed 40 hours.

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 management leave, in addition to any other leave required to be paid 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

CARSON CITY:

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

Signature

Brad Bonkowski
Acting Mayor / Mayor Pro Tempore

ATTEST:

APPROVED AS TO FORM:

Aubrey Rowlett, Clerk-Recorder

J. Daniel Yu, Assistant District Attorney