

**Carson City
Agenda Report**

Date Submitted: 5-2-14

Agenda Date Requested: 5-15-14

Time Requested: 15 minutes

To: The Board of Supervisors

From: Melanie Bruketta, HR Director

Subject Title: For Possible Action: To approve the City Manager Employment Contract between Carson City Board of Supervisors and Nicholas F. Marano.

Staff Summary: On May 2, 2014, the Board of Supervisors moved to appoint Nicholas F. Marano as the City Manager pending contract negotiations and possible approval of negotiable and non-negotiable contract terms by the Board of Supervisors. An agreement has been tentatively reached by the negotiating team for the City and Mr. Marano. This action is to approve the agreement.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other

Does this Action Require a Business Impact Statement: Yes No

Recommended Board Action: I move to approve the City Manager Employment Contract between Carson City Board of Supervisors and Nicholas F. Marano.

Explanation for Recommended Board Action: On May 2, 2014, the Board of Supervisors moved to appoint Nicholas F. Marano as the City Manager pending contract negotiations and possible approval of negotiable and non-negotiable contract terms by the Board of Supervisors. An agreement has been tentatively reached by the negotiating team for the City and Mr. Marano. This action is to approve the agreement. The term of the agreement is for two years.

Applicable Statute, Code, Policy, Rule or Regulation: Carson City Charter Sec. 3.020, Nevada Revised Statute 354.626(2)(e)

Fiscal Impact: Salary = \$171,500

Car Allowance =\$3,900

Phone Allowance = \$960

Moving exp =\$10,000

Medicare =\$2,557

PERS = \$44,161

Workers Comp = \$559

Ins (Unc + Spouse) = \$13,373

Total Salary & Benefits: \$247,010.00

Explanation of Impact: The fiscal impact is an estimate and includes the annual salary, phone allowance, car allowance, relocation costs and benefits.
City Manager's Budget # 101-0600

Supporting Material: Draft City Manager Employment Agreement

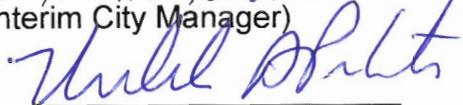
Prepared By: Melanie Bruketta, HR Director 

Reviewed By:



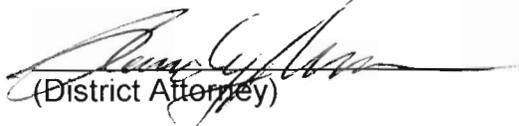
(Interim City Manager)

Date: 5/6/14



(Finance Director)

Date: 5/6/14



(District Attorney)

Date: 5/6/14

Board Action Taken:

Motion(s): _____ 1) _____ Aye/Nays
2) _____ _____

(Vote Recorded By)

CITY MANAGER EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“hereinafter “Agreement”), made and entered into this 15th of May, 2014, by and between the CARSON CITY BOARD OF SUPERVISORS (hereinafter “Board”), acting on behalf of Carson City, a consolidated municipality of the State of Nevada (hereinafter “City”), and Nicholas F. Marano (hereinafter “Employee”, or “City Manager”).

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

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

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

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

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

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

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

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

Section 1. Employment, Term and Renewal.

Sec. 1.1. City agrees to employ Employee as the City Manager of Carson City to perform the functions and duties of such office as are specified in the Carson City Charter and as set forth herein. The two (2) year term of employment of Employee as the City Manager under this Agreement shall commence on _____, and shall continue until _____, 2016, unless otherwise concluded, terminated or renewed pursuant to the terms and conditions of this Agreement.

Sec. 1.2. In compliance with NRS 354.626(2)(e), the term of this Agreement may not legally be for more than two (2) years from the effective date set forth above without a separately approved and executed amendment renewal to this Agreement. Nothing in this Agreement is intended to restrict the parties' rights and abilities to enter into subsequent amendments to this Agreement, provided however, that in no event shall any amendment have the effect of extending the term of this Agreement, as amended, for a period greater than two (2) years unless the Nevada Revised Statutes are changed to allow such. Any such amendment shall be upon terms and conditions agreed to by both parties and comply with the general provisions contracting requirements of this Agreement.

Sec. 1.3. Not more than six (6) months before the end of this Agreement, but not less than three (3) months before the term of this Agreement shall run out, Employee may submit a written proposal to Board for the renewal or extension of the provisions of this Agreement for a new two (2) year term, and/or any desired revision of the provisions of this Agreement for the new term, and in either case, the Board shall decide whether or not it desires to renew and extend, enter into negotiations, or not renew or renegotiate, for a new term of one (1), but not more than two (2), years. The Board shall advise Employee of its decision within thirty (30) days after receipt of the written proposal. Nothing contained herein shall be construed to require the Board to revise or extend this Agreement. If either the Employee fails to timely seek further employment with the City, or the Board chooses not to extend or renegotiate this Agreement, and the Board does not immediately end the Employees employment pursuant to Sec. 10.12 (Expiration of Agreement), the Employee agrees to participate in a transition plan including the recruitment of a new City Manager during the remainder of the Agreement's term.

Section 2. Position, Duties, and Responsibilities.

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

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

1. The board may appoint a manager who is the chief administrative officer of the city. He is responsible for carrying out the policy of the board. His duties and salary must be fixed by the board.

2. The manager may appoint such clerical personnel and create such administrative positions as he considers necessary, subject to the review and approval of the board.

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

Sec. 2.2.1. Enforcement.

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

Sec. 2.2.2. Departments and Employees and Redevelopment Agency.

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

Sec. 2.2.3. Control and Supervision.

The City Manager shall exercise control over and to supervise, in general, all departments and divisions of City government and the Redevelopment Authority and all appointed officers and employees within those departments and divisions under his jurisdiction. Unless otherwise provided by the Board, and except with respect to the Board's appointed internal auditor, the Board delegates generally to the City Manager its day to day oversight of those officers and employees directly appointed and supervised by the Board, to wit, the Chief of the Department of Alternative Sentencing and the Public Guardian.

Sec. 2.2.4. Agenda Preparation.

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

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

Sec. 2.2.5. Attend Meetings.

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

Sec. 2.2.6. Recommendations.

The City Manager shall recommend as necessary and appropriate the Board of Supervisors’ or the Redevelopment Authority’s adoption of such actions, resolutions and ordinances that are in the best interests of the City. He shall make reports and recommendations as may be desirable or requested by the Board of Supervisors. As an unelected Chief Administrative Officer, whose primary duty is to advocate before the Board the best interests of the City as a corporate entity, the Board requires a collegial candid assessment from the City Manager, which the Board will weigh against its broader consideration of the taxpayers, the citizens, the visitors and the local and regional community as a whole.

Sec. 2.2.7. Inform and Advise.

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

Sec. 2.2.8. Annual Budget.

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

Sec. 2.2.9. Salary Plan.

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

Sec. 2.2.10. Investigation of City Matters.

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

Sec. 2.2.11. Investigation of Complaints.

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

Sec. 2.2.12. Supervision of Public Property.

The City Manager shall exercise general supervision over all public buildings, public parks, streets and other public property (personal and real) which are under the control and jurisdiction of the Board of Supervisors and the Redevelopment Authority. Except as otherwise directed by the Board, specific budget authorization or contract, the City Manager may determine the assignment of offices and work space for, departments, divisions, agencies, officers and employees within his jurisdiction, and shall further provide the Mayor and City Supervisors with suitable office accommodations in such location(s) as will enable them to perform their official duties.

Sec. 2.2.13. Full Time Duties.

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

Sec. 2.2.14. Other Powers and Duties.

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

Section 3. Absence from Duty.

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

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

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

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

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

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

Sec. 4.1. The Employee shall be paid bi-weekly base salary of \$6,596.15 (\$171,500.00 annually) with PERS contribution adjustments pursuant to NRS 286.421, which in some cases may be a cost equally shared between the City and the Employee pursuant to law and the relevant section of the *Resolution of the Board of Supervisors of Carson City Setting Forth the Benefits for Unclassified Employees Effective July 1, 2013* (hereinafter "unclassified employees' benefits resolution") adopted by the Board, which Resolution No. 2013-R-44 is hereby incorporated by reference as **Attachment A** to this Agreement.

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

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

Sec. 4.4. Within the first six (6) months of initial employment the Board and Employee shall mutually establish the performance criteria for annual performance evaluation. In June of each year beginning June 2015, the Board shall conduct a public meeting review and evaluate the performance of the Employee. The Board shall define the desired outcomes it deems necessary for the proper operation of the City and the attainment of the Board of Supervisors' policy objectives. The Board shall prioritize the desired outcomes. These goals and objectives shall be generally obtainable within time limits specified. Based on the Employee's achievement of the goals, the Board may grant a merit increase to the Employee up to, but not exceeding the current salary range for City Manager. If such a merit increase is approved by the Board of Supervisors, it will be granted effective for the next fiscal year budget to begin the following July 1.

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

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

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

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

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

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

Sec. 4.11. City Manager will receive reimbursement for moving expenses from his current location to Carson City, Nevada. Reimbursement shall not exceed \$10,000.00 and may include supplies, materials, and transportation costs, temporary lodging, and freight and delivery costs. Cost of meals is not eligible for reimbursement. The City Manager may have up to 10 days of administrative leave to coordinate and complete his move to Carson City. Said administrative leave shall not exceed 10 days and will not result in the use of annual leave or management leave. While on administrative leave, City Manager is not in his course and scope of employment while moving.

Section 5. Hours of Work.

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

Section 6. Leave Benefits.

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

Section 7. Dues and Contributions.

Conditioned upon favorable economic conditions, the Board agrees to budget and to pay for reasonable professional dues and subscriptions of the Employee necessary for the continued membership in associations and organizations necessary and desirable

for his continued professional growth and advancement. The Board reserves the right to review these expenses on a periodic basis to assure reasonableness.

Section 8. Professional Development.

Conditioned upon favorable economic conditions, the Board agrees to budget and pay for reasonable travel and subsistence for Employee for professional and official travel to meetings and other events to continue professional development of Employee. The Board reserves the right to review these expenses on a periodic basis to assure reasonableness and the relevance of these activities. Employee will comply with City travel policies in accessing and utilization of professional development.

Section 9. General Expenses.

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

Section 10. Discipline, Termination, Expiration of Agreement.

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

Sec. 10.2. Discipline and Termination.

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

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

As an at-will public officer employee of the City serving at the pleasure of the Board, the City shall not be obligated to provide any form of progressive discipline. Pursuant to NRS 241.033 and NRS 241.034 the City must provide notice to the Employee before the Board conducts a public meeting to perform the Employee's performance evaluation

and any possible resulting administrative action. Unless it is otherwise expressly provided for in such notice that the Board will consider possible “termination without cause” of this Agreement, no such notice with respect to the possibility of any other form of discipline shall, by itself, constitute a Not-For-Cause termination event under Sec. 10.7.

Sec. 10.3. Termination For Cause.

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

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

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

Sec. 10.4. In the event the Employee is terminated for cause for conviction of any felony or gross misdemeanor or misdemeanor, the City shall have no obligation to offer or to pay any lump sum or other Sec. 10.8.2 conditional severance benefits. Employee shall be entitled to only any earned and unpaid base salary to the date of termination and the accrued and unpaid leave benefits that are otherwise payable pursuant to City policy upon termination of any unclassified employee.

Sec. 10.5. In the event of termination for cause not based upon a conviction as provided in Sec. 10.4., City has the discretionary option, but is not required, to offer or to pay any lump sum or other Sec. 10.8.2 conditional severance benefits. Employee shall be entitled to earned and unpaid base salary to the date of termination and the accrued and unpaid leave benefits that are otherwise payable pursuant to City policy upon termination of any unclassified employee.

Sec. 10.7. Termination Not-For-Cause.

For purposes of this Agreement, whenever termination Not-For-Cause (“without cause”) shall occur pursuant to the events set forth in this Sec. 10.7., the Employee shall be entitled to recover termination without cause severance benefits as limited and set out in Sections 10.8.1 and 10.8.2. The relevant events shall be:

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

Sec. 10.8. Severance Benefits.

Sec.10.8.1. If the Employee is terminated without cause by the Board during such time that Employee is willing and able to perform the duties under the Agreement, the City will pay Employee, as a lump sum *base severance benefit* less federal income tax withholding. This base severance benefit shall include:

- (1) all accrued and unused management leave (up to 40 hours at the base salary rate);
- (2) all accrued and unused annual leave (up to 300 accrued hours); and
- (3) all accrued and unused sick leave up to a maximum of 1080 hours at 100%,

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

Sec. 10.8.2. When otherwise allowed or required by another provision of this Agreement, the City will offer Employee the following *conditional severance benefits* for termination:

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

These conditional severance benefits are conditioned upon satisfaction of the requirements set forth in Sec. 10.8.3., below. For the purpose of continuation of benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the six (6) months of health insurance coverage shall apply to the eighteen-month maximum continuation period.

Sec. 10.8.3. In order to receive the conditional severance benefits set forth above, Employee shall be required to execute the attached voluntary separation agreement and release of all claims. Employee acknowledges receipt of a form copy of the *Voluntary Separation Agreement, Waiver and Release* prior to Employee's execution of this Agreement. (**Attachment B** is hereby incorporated into this Agreement). The conditional severance benefits set forth above will be consideration for the separation agreement and release of all claims. The payment of the lump sum, if applicable, will be made on the next regularly scheduled pay date for the City following the expiration of the revocation period for the separation agreement and release of all claims.

Sec. 10.9. Termination by Death.

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

Sec. 10.10. Termination by Disability.

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

Sec. 10.11. Voluntary Resignation.

In the event Employee voluntarily resigns his position with the City before expiration of the term of this Agreement, for reasons other than defined in Sec. 10.7 (Not-For-Cause events) above, the Employee shall give the City sixty (60) days advance written notice, unless the parties otherwise agree. It is understood that no base severance benefit nor any conditional severance benefits would be offered or paid should the Employee voluntarily resign his employment during the term of this Agreement.

Sec. 10.12. Expiration of Agreement.

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

Sec. 10.13. Cooperation in Pending Work.

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

Sec. 10.14. Return of Property.

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

Section. 11. Duty to Defend.

The Duty to Defend is subject to the requirements and conditions of NRS chapter 41. The District Attorney shall provide for the defense, including the defense of cross-claims and counterclaims, in any civil action brought against the City Manager based on any alleged act or omission relating to his 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, he submits a written request for defense to the District Attorney; and

- (2) The District Attorney determines that the act or omission on which the action is based appears to be within the course and scope of public duty or employment and appears to have been performed or omitted in good faith.

Section 12. General Provisions.

Sec. 12.1. Notices.

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

Sec. 12.2. Entire Agreement.

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

Sec. 12.3. Amendments, Waivers.

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

Sec. 12.4. Severability; Enforcement.

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

Sec. 12.5. Governing Law.

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

Sec. 12.6. Arbitration.

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

Sec. 12.7. Residency.

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

Sec. 12.8. Acknowledgment of Parties.

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

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

EMPLOYEE:

Carson City, Nevada

CARSON CITY:

201 N. Carson St.
Carson City, Nevada 89701

Signature

Robert L. Crowell, Mayor

ATTEST:

APPROVED AS TO FORM:

Alan Glover, Clerk-Recorder

Neil Rombardo, District Attorney

ATTACHMENT A – City Manager’s Agreement

Resolution No. 2013-R-44

Resolution of the Board of Supervisors of Carson City Setting Forth the Benefits for
Unclassified Employees Effective July 1, 2013

**City of Carson City
Agenda Report**

Date Submitted: 11-12-13

Agenda Date Requested: 11-21-13

Time Requested: 10 minutes

To: Carson City Board of Supervisors

From: Larry Werner, City Manager

2013.R.44

Subject Title: (For possible action:) Action to adopt a resolution of the Board of Supervisors of Carson City setting forth the benefits for unclassified employees effective July 1, 2013.

Staff Summary: In May the Board of Supervisors approved a 2% cost-of-living increase effective July 1, 2013 for unclassified employees. Staff waited to implement the cost-of-living until after negotiations concluded with the Carson City Employee's Association, as has been the practice in the past. The negotiations have concluded, and the City Manager is proposing the following resolution in place of the 2% cost-of-living increase, which is similar to the proposal tentatively agreed upon between CCEA and staff. Adoption of this resolution will give unclassified employees the following benefits: 1. An adjustment in salary should PERS increase; 2. A 1% cost-of-living increase effective January 1, 2014 and a 2% cost-of-living increase effective July 1, 2014; 3. A medical retirement subsidy increase; and 4. A change to the sick leave pay-out provision. Approval of these benefits will be in exchange for the 2% cost-of-living increase.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (specify)

Does this Action Require a Business Impact Statement: Yes No

Recommended Board Action: I move to adopt a resolution of the Board of Supervisors of Carson City setting forth the benefits for unclassified employees effective July 1, 2013.

Explanation for Recommended Board Action: In May the Board of Supervisors approved a 2% cost-of-living increase effective July 1, 2013 for unclassified employees. Staff waited to implement the cost-of-living until after negotiations concluded with the Carson City Employee's Association, as has

been the practice in the past. The negotiations have concluded, and the City Manager is proposing the following resolution in place of the 2% cost-of-living increase, which is similar to the proposal tentatively agreed upon between CCEA and staff. Adoption of this resolution will give unclassified employees the following benefits: 1. An adjustment in salary should PERS increase; 2. A 1% cost-of-living increase effective January 1, 2014 and a 2% cost-of-living increase effective July 1, 2014; 3. A medical retirement subsidy increase; and 4. A change to the sick leave pay-out provision. Approval of these benefits will be in exchange for the 2% cost-of-living increase.

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: \$1,125,986 estimated for the 2 year contract period.

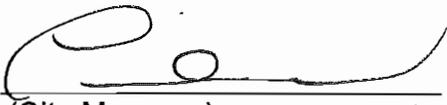
Explanation of Impact: The city budgeted a 2% COLA, merits and a fixed dependent medical subsidy in FY 2014. We also used these numbers when we projected FY 2015. The total cost of the unclassified resolution assuming these assumptions is \$1,261,908. Based on the proposed resolution, the city will be saving almost \$136,000 over the 2 year period based on how the budget and the projections were prepared. Because of the additional retirement medical benefit, we will be transferring 1% of salaries from all funds to the Group Medical Fund to pay for these benefits in the future.

Funding Source: N/A

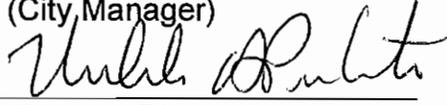
Alternatives: The Board of Supervisors has the authority to make any changes deemed necessary to the resolution.

Supporting Material: Resolution of the Board of Supervisors of Carson City Setting Forth the Benefits for Unclassified Employees Effective July 1, 2012.

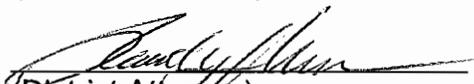
Prepared By: Melanie Bruketta, HR Director

Reviewed By: 
(City Manager)

Date: 11/12/13


(Finance Director)

Date: 11/12/13


(District Attorney)

Date: 11/12/13

Board Action Taken:

2013 R. 44

Motion(s): adopt 1) KA Aye/Nays
2) JM 5-0

ck
(Vote Recorded By)

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF CARSON CITY SETTING FORTH THE
BENEFITS FOR UNCLASSIFIED EMPLOYEES
EFFECTIVE JULY 1, 2013**

SECTION I. UNCLASSIFIED EMPLOYEES

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

SECTION II. MANAGEMENT BENEFITS PLAN

A. HOLIDAYS

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

- New Years Day (January 1)
- Presidents Day (third Monday in February)
- Martin Luther King Day (third Monday in January)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Nevada Day (last Friday in October¹)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Family Day (day after Thanksgiving)
- Christmas Day (December 25)

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

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

B. RETIREMENT

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

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

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

C. MEDICAL INSURANCE

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

D. HEALTH INSURANCE UPON RETIREMENT

I. RETIREES WITH 15-19 YEARS OF SERVICE

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

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

1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the “single employee with Medicare premium”, or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree’s sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City’s group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the “Employee without Medicare” premium. In the event the City eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.
2. The spouse of the unclassified employee/retiree (current at time of the employee’s separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage

premium paid by the City on behalf of the spouse will be 25% of the “single dependent with Medicare” premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.

3. Dependents (current at time of the unclassified employee’s separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age for or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be 25% of the “single dependent with Medicare premium”. After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a

dependent covered by the insurance plan, as modified from time-to-time, or required by law.

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

employee's biweekly base salary shall be restored on and after the effective date of this benefit.

II. RETIREES WITH 20 OR MORE YEARS OF SERVICE

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

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree will have (i) a minimum of 20 years of full time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an Unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.
- b. The City will pay premiums for:

1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the “single employee with Medicare premium”, or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree’s sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City’s group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the “Employee without Medicare” premium. In the event the City eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.
2. The spouse of the unclassified employee/retiree (current at time of the employee’s separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage

premium paid by the City on behalf of the spouse will be reduced to 25% of the “single dependent with Medicare” premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.

3. Dependents (current at time of the unclassified employee’s separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age for or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be reduced by 25% of the “single dependent with Medicare premium”. After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being

eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.

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

employee's biweekly base salary shall be restored on and after the effective date of this benefit.

E. GROUP LIFE INSURANCE

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

F. SICK LEAVE

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

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

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

G. AMBULANCE

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

H. ANNUAL LEAVE

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

City Manager, Chief of Alternative Sentencing, Internal Auditor and the Public Guardian, by the Board of Supervisors.

I. MANAGEMENT LEAVE

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

J. PAY RANGES

Effective January 1, 2014, all unclassified employees will receive a 1.0% increase in their base salary which will cause the unclassified salary range to be increased by 1.0% over the rates in effect on July 1, 2013.

Effective July 1, 2014, all unclassified employees will receive a 2.0% increase in their base salary which will cause the unclassified salary range to be increased by 2.0% over the rates in effect on January 1, 2014.

All unclassified employees will be paid within an established pay range; the range may be adjusted minimally by the CPI (All Urban Consumers, U.S. City Average) on July 1st of each year at the direction of the City Manager under the authority of the Board of Supervisors.

K. PERFORMANCE PAY

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

L. TEMPORARY DUTY PAY

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

M. EXEMPT EMPLOYEES - FLSA GUIDELINE

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

N. GENERAL BENEFITS

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

- a. Workers Compensation
- b. Mileage, City Vehicle or Vehicle allowance, as determined by the City Manager and in the case of the City Manager, Internal Auditor, Chief of Alternative Sentencing or Public Guardian, by the Board of Supervisors.
- c. Direct Deposit of payroll checks
- d. Repair or replacement of personal property, if damaged, lost or destroyed, while performing job related duties.
- e. Military Leave
- f. Family Medical Leave Act (FMLA) leave
- g. Bereavement leave
- h. Employee Assistance Program (EAP)
- i. Voluntary participation in Deferred Compensation Plan (457)
- j. Voluntary participation in Flexible Spending Plan (125)

O. Effective Date

The terms of this resolution shall be effective as of July 1, 2013.

Upon motion by Supervisor Karen Abowd, seconded by Supervisor John McKenna, the foregoing motion was passed and adopted this 21st day of November, 2013, by the following vote:

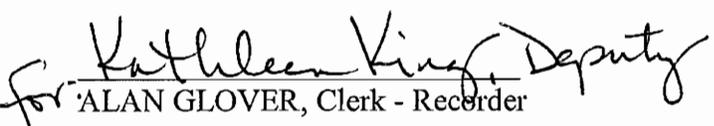
AYES: Supervisor Karen Abowd
Supervisor John McKenna
Supervisor Brad Bonkowski
Supervisor Jim Shirk
Mayor Robert Crowell

NAYS: None.

ABSENT: None.

ABSTAIN: None.


ROBERT L. CROWELL, Mayor

ATTEST:

for ALAN GLOVER, Clerk - Recorder

ATTACHMENT B – City Manager’s Agreement

VOLUNTARY SEPARATION AGREEMENT, WAIVER AND RELEASE

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

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

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

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

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

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

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

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

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

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

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

11. **Opportunity to Discuss:** Employee represents and agrees that he is fully aware of his right to discuss any and all aspects of this matter with Carson City's Human Resources Department and that he was specifically advised to consult with his own counsel prior to executing this Agreement. Employee further represents that he has carefully read and fully understands all of the provisions of this Agreement and that he was given a reasonable period in which to consider this Agreement and that he is entering into this Agreement knowingly, voluntarily, and without coercion or pressure.

12. **Notice:** Any notice to be given to Carson City shall be deemed sufficient if addressed to Carson City and personally delivered or mailed to Carson City, Human Resources Department, 201 N. Carson St., Suite 4, Carson City, NV 89701. Any notice to be given to Employee shall be deemed sufficient if addressed to him and personally delivered or mailed to the address Employee has provided to the Human Resources Department as his current address.

13. **Changes to this Document:** Employee agrees that changes, whether material or immaterial, do not restart the running of the 21-day consideration period.

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

Carson City:

By: _____

Date: _____

Name: _____

Title: _____

Employee Signature/Name:

Date: _____