

EMPLOYMENT AGREEMENT

THIS AGREEMENT made and entered into this 11th day of January, 2024, by and between the City of Dillingham, Box 889, Dillingham, AK 99576 ("**CITY**") and Kimberly Johnson, P.O. Box 653 Dillingham Ak, 99576 ("**MANAGER**" or "Ms. Johnson"). Effective December 14, 2023 ("Effective Date").

WITNESS: For and in consideration of the mutual covenants contained in this Agreement, the City of Dillingham agrees to retain Ms. Johnson as its City Manager under the terms and conditions set forth below:

1. Duties and Nature of Employment.

(a) **CITY** agrees to continue to employ Ms. Johnson, and Ms. Johnson agrees to be employed by the **CITY** in the position of City Manager. Ms. Johnson is an at-will employee who serves at the pleasure of the City Council. Ms. Johnson is an administrative or executive employee and is not entitled to receive overtime compensation.

(b) Ms. Johnson shall perform all duties and functions assigned to the **MANAGER** by law or ordinance, and such other duties and functions as the City Council shall from time to time prescribe.

2. Salary. The **CITY** agrees to pay **MANAGER** for her services an annual salary of \$149,500 payable in the same installments as other employees of the **CITY**.

3. Performance Evaluation. No later than November 1 of each year during the term of this Agreement, **MANAGER** shall remind the City Council of the need to begin a performance evaluation. No later than January 15, the City Council shall begin a performance evaluation. No later than February 15 the City Council shall discuss the completed performance evaluation with Ms. Johnson and discuss with Ms. Johnson whether salary should be adjusted. **MANAGER** may request one additional evaluation each year to assist her with fulfilling the **CITY's** expectations.

4. Term.

(a) **MANAGER** shall begin employment pursuant to the terms of this Agreement on the Effective Date.

(b) This Agreement shall expire January 11, 2027.

(c) This agreement may be extended for one year intervals on same terms and conditions agreed to in writing by **CITY** and **MANAGER** or with other such terms and conditions as agreed to by **CITY** and **MANAGER**, including, but not limited to,

salary increase.

5. Termination of Agreement.

(a) The City Council may terminate the **MANAGER** at any time, for any reason or for no reason, by delivering to the **MANAGER** written notice of termination. In the event of termination other than for good cause and with less than sixty (60) days advance notice, the **CITY** shall pay to **MANAGER** as severance pay an amount equal to three months' salary in lieu of any and all other damages or money that **MANAGER** might claim. However, upon expiration of the term of this Agreement or if the **MANAGER** is terminated for good cause, the **CITY** shall not pay severance pay to the **MANAGER**. For this purpose the term good cause shall mean:

(1) A willful breach, disregard, or habitual neglect of duties assigned to the **MANAGER** by law or by the City Council.

(2) Any conduct of **MANAGER** bringing public embarrassment or ridicule to the **CITY**.

(3) Any misconduct of **MANAGER** involving an act of moral turpitude or illegality.

(b) Prior to any termination for cause, **MANAGER** shall be entitled to a hearing before the Council, at which he may be represented by counsel, present and cross-examine witnesses.

(c) **MANAGER** may resign her employment as City Manager at any time, for any reason, or for no reason, by delivering to the Mayor of the **CITY** written notice of resignation at least thirty (30) days prior to the effective date of resignation. If the **MANAGER** resigns, the **MANAGER** shall not receive severance pay.

6. Benefits.

(a) **MANAGER** shall have standard medical and dental benefits as provided to other **CITY** employees, including coverage for spouse and dependents, a term life insurance policy equal to one and one-half times **MANAGER'S** annual salary and participation in the State Public Employee Retirement System, with those benefits associated with that program. **CITY** shall include **MANAGER** as a named insured on **CITY'S** public officials' liability policy.

(b) At the commencement of the term of this Agreement, **MANAGER** shall be credited with one hundred twenty hours of paid personal leave and 80 hours of paid sick leave. In addition, **MANAGER** shall accrue 4.62 hours of paid personal leave and 3.69

hours of paid sick leave each pay period during the term of this agreement. Unused leave will carry over to the succeeding twelve month period of the term of this Agreement as allowed and to the extent allowed by **CITY'S** personnel rules. Upon termination or expiration of this agreement **MANAGER** shall be entitled to payment for up to two hundred (200) hours of accrued unused personal leave.

(c) **CITY** agrees to provide for paid attendance to the Alaska Municipal Management Association Conference as budgeted funds allow.

(d) **CITY** agrees to pay annual membership dues to AMAA and other similar municipal professional associations as budgeted funds allow.

(e) During the first year of the term of this Agreement City shall provide **MANAGER** with a city-owned vehicle for **MANAGER'S** personal use and for which the City pays for gas and maintenance.

(f) **MANAGER** may participate in the City's Mission Square Retirement deferred compensation plan.

7. Confidentiality. The **MANAGER** recognizes that the City Manager will receive and have access to information of a confidential nature. The **MANAGER** agrees any confidential information obtained as a result of the City Manager position will be maintained as confidential to the extent authorized by law.

8. Conflict of Interest. **MANAGER** will be fair and impartial in all dealings and will avoid any actions which create a conflict of interest or might reasonably be interpreted as affecting the impartiality of her position as City Manager. The **MANAGER** shall not use her position for the primary purpose of obtaining personal financial gain or financial gain for a spouse, child, mother, father or business with which the **MANAGER** is associated. The **MANAGER** shall not solicit or receive money for advice or assistance given in the course of his public employment. The **MANAGER** may not represent a client before the City Council.

9. Education and Training Expenses.

Travel and expenses related to education and training of **MANAGER** will be budgeted by **CITY** on an annual basis. Actual time spent attending meetings and conferences approved by the City Council, and reasonable travel time, shall not count as leave. Forms and receipts for reimbursement and calculation of leave will be promptly filed with the Finance

Department in accordance with **CITY** policy.

10. Integration, Modification and Interpretation.

Except as otherwise provided herein, this instrument is the entire Agreement and supersedes any previous employment agreement or arrangements. It may be modified only in writing signed by each of the parties. This Agreement will be interpreted in accordance with the laws of the State of Alaska.

11. Severability. This Agreement is severable and if any portion hereof is held invalid, the remainder shall not thereby be invalidated, but shall remain in full force and effect.

12. Applicability of City Personnel Regulations. The City of Dillingham Code of Ordinances and Personnel Regulations as they may exist from time to time shall govern this Agreement, provided, however, that the provisions of this Agreement shall take precedence in any area specifically addressed by this Agreement. For example, the termination provisions provided herein shall prevail over any personnel regulations.

13. Manager's Certification. **MANAGER** hereby certifies that she has received a copy of this Employment Agreement and the City Personnel Policies. She further certifies that she understands this instrument and that it fairly represents the agreement reached between the parties.

DATED this 11th day of January, 2024.

CITY OF DILLINGHAM

BY: _____
ALICE RUBY
Mayor

Kimberly Johnson

ATTEST

City Clerk