

## EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is entered into effective August 13, 2026, by and between the City of Lake Forest Park, a Washington municipal corporation (“City”) and Diego Zanella (“Zanella” or “Employee”). The City and Employee are referred to collectively herein as “the Parties.”

WHEREAS, the City of Lake Forest Park desires to employ the services of Zanella as Police Chief and Zanella desires to accept such employment;

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

**1. Term.** This Agreement shall remain in full force in effect for five (5) years from August 13, 2026 (“Term”) unless this Agreement is terminated by the City or Employee as provided in Section 12 or 13 of this Agreement, or unless extended or amended by the mutual agreement of the Parties. The Term shall be renewed automatically for additional one year period(s) unless terminated by the City in writing by notice to Employee delivered no fewer than 90 days prior to expiration of the then-applicable Term. If employee is provided with notice of non-renewal as set forth in this section, he is not entitled to the separation benefits set forth in Section 12.

**2. Duties.** Employee shall faithfully and competently and to the best of his abilities, serve the City as Chief of Police, subject to the general supervision and direction of the Mayor and the City Administrator, and he shall devote his working time to the duties and responsibilities as set forth in federal, state and local law and City policy. The position of Chief of Police for the City of Lake Forest Park is an exempt Civil Service position, as provided for by RCW and LFPMC 2.16.020.

**2.1. Response Time.** Employee shall maintain a primary residency that allows them to respond within one hour to City limits for emergency duties.

### **3. Compensation.**

**3.1. Base Salary.** As compensation for Employee’s services under this Agreement, the City shall pay and Employee shall accept an annual base salary, before all customary payroll deductions, of \$210,445.92 (“Base Salary”), payable in accordance with the regular payment schedule for the City’s salaried employees. Employee’s Base Salary may be increased under the circumstances set forth in Section 3.2 below, upon approval by the Mayor, and otherwise as set forth in Section 3.3 herein.

**3.2. Base Salary and Compensation Review.** Employee’s Base Salary and other compensation provided herein shall be reviewed annually following the performance evaluation described in Section 11 below. Upon a satisfactory performance evaluation as determined by the Mayor in the exercise of reasonable discretion, Employee shall be eligible for Base Salary

increases as determined by the City. To align with the City's budgeted salary schedule, Base Salary increases shall be effective January 1st of the proceeding calendar year.

**3.3. Cost of Living Adjustment.** Employee's Base Salary shall be increased by the same cost-of-living adjustment ("COLA") provided to other non-bargaining unit City employees ("Other Employees"), up to a maximum of three percent (3%) of the then-applicable Base Salary. Annual COLA's are not guaranteed and are granted at the sole discretion of the City.

**3.4. Overtime.** Employee is an exempt employee under Washington State and Federal law and shall receive no overtime or other compensation for hours worked over forty (40) per week.

**3.5. Uniforms and Equipment.** Employee shall be provided uniforms and ordinary and necessary equipment in amount of be established in the City's budget. The City will provide reasonable dry-cleaning services, through the City's vendor, for City provided uniforms.

**4. Benefits.** During the Term of this Agreement, the City shall provide medical, dental, long-term disability and vision coverage for Employee and their eligible dependent(s) on the same basis and to the same extent that such benefits are provided to Police Guild Represented Employees. .

**4.1. Life Insurance and Accidental Death & Dismemberment.** The City shall provide Employee with group term life insurance and accidental death & dismemberment (AD&D) in the same amount provided to other Management, Professional and Exempt Employees ("Other MPE Employees"). At the commencement of this Agreement, that amount shall be \$50,000.00. Employee may supplement the City's insurance at their option.

**4.2. Disability.** The City shall provide Employee with disability insurance in the same amount provided to Other MPE Employees. At the commencement of this Agreement, that amount shall be 67% benefit after 90-day waiting period.

**4.3. Employee Assistance Program.** The City shall provide Employee with an Employee Assistance Program (EAP) coverage consistent with the same benefit offered to Other MPE Employees.

**5. Vacation and Sick Leave.** During the Term of this Agreement, the Employee shall accrue annual vacation on the same basis and to the same extent that such vacation leave is provided to Other MPE Employees in accordance with the City's Vacation Policy. Upon separation, Employee shall be compensated in cash, at their base wage rate, for any accrued but unused vacation, in accordance with City policy. It is understood and agreed by the Parties that such vacation accrual benefits Other MPE Employees receive may change from time to time at the City's discretion. Employee shall accrue annual sick leave at the same rate and to the same extent that such sick leave is provided to Other MPE Employees. Unused vacation and sick leave may be carried forward to the next calendar year subject to the annual maximums set forth in CityPolicy. On an annual basis, 25% of unused sick leave in excess of 480 hours of accrued sick leave may be converted to vacation leave at the Employee's request. Employee will be compensated in cash, at their base wage rate of pay, for 50% any unused accumulation of sick leave up to 960 hours upon retirement from the City. All other provisions of the City's Sick Leave Policy will apply.

**6. Holidays and Administrative Leave.** Employee shall be entitled to paid calendar holidays (*e.g.*, Christmas Day, New Year's Day) on the same basis as Other MPE Employees. As of the commencement of this Agreement, there are 11 paid calendar holidays. Employee shall also be entitled to two (2) floating holidays. In 2026, Employee shall not be entitled to any additional Administrative Leave; thereafter, Employee shall be entitled to Administrative Leave on the same basis and to the same extent as Other MPE Employees. Administrative leave may not be carried over from year to year and may not be cashed out at the termination of this Agreement regardless of whether the termination is initiated by Employee or the City and regardless of whether termination is with or without cause.

**7. Pension/Retirement.** Employee is required to participate in the Law Enforcement Officers and Fire Fighters II (LEOFF II) Retirement System, with a portion of contributions deducted from their pay in accordance with the Department of Retirement System (DRS). Employee shall also benefit from and participate in the City's 401A Social Security Replacement program in accordance with Other MPE Employees. Employee may voluntarily contribute to the City's Deferred Compensation Program – 457 Plan in accordance with Other MPE Employees.

**8. Professional Memberships.** During the Term of this Agreement, the City shall pay Employee's annual professional dues for membership in the Federal Bureau of Investigation National Academy Associates, the International Association of Chiefs of Police, and the Washington Association of Sheriffs and Police Chiefs.

**9. Professional Conferences.** Subject to the amount budgeted by the City Council, the City shall pay or provide reimbursement for Employee's travel, food, lodging and incidental expenses for professional and official travel, meetings and occasions required to maintain his professional development and to adequately pursue official and other functions for the City and in accordance with the City's Job Related Travel Allowance and Other Business Expense Policy.

**10. Business Expenses and Business Equipment.**

**10.1. Business Expenses.** City recognizes that Employee will incur expenses from time to time for the City's benefit and in furtherance of City business. The City shall reimburse Employee for reasonable and necessary business expenses, in accordance with City Policy.

**10.2. Take Home Vehicle.** If Employee resides within 45 miles of City Hall, Employee shall be furnished a take home police vehicle and gasoline for traveling between Employee's residence and the Police Department or other business-related location, as necessary in the performance of the City's business and to respond to police emergencies. Should Employee reside more than 45 miles from City Hall, Employee shall receive a vehicle allowance of \$250.00 per month in lieu of a take-home vehicle. Employee will not use the City issued vehicle for reasons outside the course and scope of their job duties.

**10.3. Cell Phone.** Employee shall be issued a cell phone for work-related activities consistent with the type of telephone generally provided to other City department directors, by which Employee shall remain available to be contacted before and after regular business hours, as City business may require. The City shall pay the cost of the monthly cellular and data plan required for Employee's cell phone consistent with the amounts paid for the cellphone for other

department directors. Employee's cell phone use must be consistent with City policy and Employee acknowledges that records created with or maintained on a City cell phone are subject to records retention laws and disclosure under the Public Records Act.

## **11. Performance Evaluation.**

**11.1. Performance Measures.** The Mayor or, at the Mayor's direction, the City Administrator, shall in consultation with the Employee and within three (3) months of the execution of this Agreement establish a work plan and performance goals and objectives for the proceeding 12 months of Employee's employment. The performance goals and objectives shall be reduced to writing and attached to and incorporated by reference to the Agreement as though fully set forth herein. After each annual performance review, the Mayor and Employee shall define additional work plans, performance goals and objectives by which to continue to measure the performance of the Employee. The performance goals and objectives shall be practicably attainable within the time limitations specified and the annual operation and capital budgets and appropriations provided. The Mayor and Employee shall also establish the relative priority among the Employee's performance goals and objectives and reduce them to writing.

**11.2. Annual Performance Reviews.** Performance reviews shall occur annually for the duration of this Agreement, the Mayor (or, at the Mayor's direction, the City Administrator) shall evaluate the performance of Employee; provided, however, that evaluations may occur more frequently if deemed necessary by the Mayor in the Mayor's sole discretion. Evaluations shall assess Employee's performance using the work plan, performance goals and objectives referred to in 11.1 above, as the work plan, goals and objectives may be revised by the Mayor and Employee and reduced to writing after each successive performance evaluation.

**12. Termination by the City.** The City may terminate this Agreement with written mutual consent or as follows:

**12.1. Cause.** The City may terminate this Agreement for "cause." "Cause" shall mean a fair and honest cause or reason, regulated by good faith on the part of the City, based on facts which are supported by substantial evidence, and which the City reasonably believes to be true, and is not for any arbitrary, capricious or illegal reason. Acts, errors, or omissions which discredit the City, materially impair the provision of orderly services to the citizens of the City, or which otherwise constitute unsatisfactory performance, as determined by the Mayor, shall constitute "cause". The following are additional examples of the types of conduct which may constitute "cause" and result in termination: (1) Consumption or possession of alcohol, illegal drugs, or controlled substances on the job, or arriving at work under the influence of alcohol, illegal drugs, or controlled substances; (2). Violation of a lawful duty; (3) Insubordination; (4) An arrest for a criminal offense, the filing of a complaint, information, or indictment alleging a crime, or a conviction of any crime; (5) Acceptance of fees, gratuities or other valuable items in the performance of the Employee's official duties for the City; (6) Engaging in any transaction or activity which is in conflict with or incompatible with the proper discharge of official duties; (7) lack of bondability; (8) material breach of this Agreement; (9) commission of fraud; (10) violation of City personnel policies or police department policies; (11) breach of fiduciary duties owed to the City; or (12) violation of the FBI NAA, IACP and/or WASPC Code of Ethics. The foregoing list of examples is not all-inclusive nor is it intended to identify all possible bases for termination.

If the City believes “cause” exists, it shall provide Employee written notice of the alleged cause and 10 business days to cure where cure is possible, prior to any final action being taken. The Employee may respond orally or in writing within the 10-day period. If Employee is terminated for “cause,” he shall receive no compensation except for days actually worked and accrued but unused vacation leave as determined in accordance with the Employee Handbook.

**12.2. Without Cause.** The City may terminate this Agreement without cause. In this event, Employee shall be compensated for days actually worked and may cash out in a lump sum any accumulated but unused vacation leave as determined in accordance with the City’s Vacation Policy. In addition, Employee shall severance based upon their then applicable Base Salary, less applicable taxes and withholding, for a period corresponding to Employee’s length of service, as follows: if termination without cause occurs during Employee’s first year of employment as Police Chief, Employee shall receive three (3) months of severance; if termination occurs during Employee’s second year of employment as Police Chief, Employee shall receive four (4) months of severance; if termination occurs during Employee’s third year of employment as Police Chief, Employee shall receive five (5) months of severance; if termination occurs during Employee’s fourth year of employment as Police Chief or later, Employee shall receive six (6) months of severance. Such severance will be paid in a lump sum on their final paycheck following the last pay period with recorded hours.

**12.3. Disability.** If due to physical or mental incapacity or other health-related issues certified by their treating healthcare provider Employee cannot substantially perform his duties on a full-time basis for three consecutive months, or shorter periods totaling 120 days within a 12-month period, and if within 30 days after the City provides written notice of potential termination he has not returned to his full-time duties, then this Agreement shall terminate for “disability.” In this event, Employee shall receive no other compensation except for days actually worked. Employee shall be eligible for cash out of accrued and unused vacation and sick leave as described in Section 5.

**12.4. Effect of Termination.** Immediately upon the effective date of termination under either Section 12 or Section 13 of this Agreement, Employee shall cease to perform any activities on behalf of the City and will cease to hold himself out as representing the City, and will forfeit and return all City issued equipment, uniforms, and other City owned property assigned to, or in possession of, the Employee.

### **13. Termination by Employee.**

**13.1. With Notice by Employee.** Employee may terminate this Agreement with written mutual consent, or upon at least 90 days written notice of his resignation. In the event of termination by Employee, Employee shall receive no other compensation except for days actually worked and may cash out accumulated but unused annual vacation leave if they have provided the City with the 90 days’ notice required by this section. During the six (6) months following the termination date, Employee shall make himself available to the City for up to 80 hours (not to exceed 10 hours in any week) as may be requested from time to time by the City at no additional compensation to Employee. During the six (6) month period, Employee shall be entitled to reimbursement at the then-applicable IRS mileage reimbursement rate for vehicle miles driven in performance of the City’s business.

**13.2. Upon Employee's Death.** If Employee dies during the Term, the City shall pay to his estate compensation for days actually worked and for any accrued but unused annual vacation leave.

**14. Venue and Governing Law.** This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington without reference to its choice-of-law rules. The venue for any claim or lawsuit arising out of or relating to the construction, interpretation, or enforcement of this Agreement shall be the Superior court of King County, Washington, which the parties further agree has exclusive jurisdiction over the parties and subject matter.

**15. Notices.** All notices and other communications required or permitted under this Agreement shall be validly given, made or served if in writing and delivered personally or sent by registered mail, to:

*The City:*  
Mayor, City of Lake Forest Park  
17425 Ballinger Way NE  
Lake Forest Park, Washington 98155

*Employee:*

or to such other address as either party may designate from time to time upon written notice to the other party.

**16. Other Provisions.** This Agreement constitutes the entire agreement and understanding between the parties as to its subject matter. All prior agreements or understandings, whether oral or written, are superseded by and merged into this Agreement and cannot be used as evidence of the parties' intent herein. As both parties have been fully involved in drafting this Agreement, neither side may argue that the Agreement should be construed against its drafter if a dispute arises. If any provision herein is deemed invalid, the other provisions (including the valid part of a partly invalid provision) shall continue in full force and effect. This Agreement may not be amended or modified except in writing by the Parties and as expressly approved by the Council. Any waiver by the City of Employee's breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by Employee. No provision of this Agreement shall be deemed waived except as set forth in writing by the parties. Neither party may assign any right or delegate any duties hereunder without the prior written consent of the other party.

**IN WITNESS WHEREOF**, the parties have executed this Agreement effective on the latest date of signature below.

**CITY OF LAKE FOREST PARK,**  
a Washington municipal corporation

**EMPLOYEE**

By: \_\_\_\_\_  
Tom French,  
Its Mayor

\_\_\_\_\_  
Diego Zanella

Date: \_\_\_\_\_, 2026

Date: \_\_\_\_\_, 2026

State of Washington    )  
                                      ) ss.  
County of King            )

On this day personally appeared before me Diego Zanella to me known to be the individual who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
My commission expires: \_\_\_\_\_

State of Washington    )  
                                      ) ss.  
County of King            )

I certify that I know or have satisfactory evidence that Tom French is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Mayor of the City of Lake Forest Park to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
My commission expires: \_\_\_\_\_