

**CITY MANAGER  
EMPLOYMENT AGREEMENT**

THIS AGREEMENT is made and entered into this October \_\_\_\_, 2023, by and between the City of Sandy, a municipal corporation of the State of Oregon, hereinafter called "City," and Tyler Deems, hereinafter called "Manager."

WHEREAS, City desires to employ the services of Manager as City Manager of the City of Sandy as provided by the City Code of the City of Sandy, and Manager desires to accept said employment; and

WHEREAS, City and Manager believe it is in their mutual interest to enter into a written contract setting out their understandings concerning said employment.

NOW, THEREFORE, in consideration of the above and the mutual covenants contained herein, City and Manager agree as follows:

**SECTION 1. EMPLOYMENT, DUTIES AND AUTHORITY**

Manager shall perform all duties required of the position of City Manager, including but not limited to, those duties and responsibilities outlined in Chapter 2.08 of the Sandy Municipal Code, in the job description attached hereto and incorporated herein as Exhibit A, and any other duties and responsibilities authorized or directed by City Council. At the discretion of the Manager, any duties described above may be delegated to subordinate employees as appropriate. In performance of all duties and responsibilities, Manager shall abide by the policies, rules and directives of City Council, keep the Council advised of the affairs and needs of the City, and shall perform such duties and responsibilities in accordance with the ordinances of the City of Sandy and laws of the State of Oregon and the United States. Manager shall abide by all the terms and conditions contained in the personnel policies of the City of Sandy, as amended from time to time. In the event of a conflict between the personnel policies and this Agreement, this Agreement shall control.

**SECTION 2. TERM**

2.1 At-Will Employment. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the City Council to terminate the services of the Manager at any time, from his position with the City, subject only to the provisions set forth in this Agreement.

2.2 Length of Agreement. This Agreement shall be in effect September 15, 2023 and shall extend through September 15, 2026.

**SECTION 3. TERMINATION AND SEVERANCE**

3.1 Termination without Cause. This Agreement may be terminated by either the

City or Manager for any reason whatsoever.

3.2 Termination for Cause. Manager's employment with the City may be terminated immediately in the sole discretion of the City (acting by and through its City Council) upon the occurrence of any of the following events:

- a. Manager fails or refuses to comply with the written policies, standards, and regulations of the City that are now in existence or that may, from time to time be established, after receiving notice of the violation(s) and an opportunity to respond;
- b. The City has reasonable cause to believe Manager has committed fraud, misappropriated City funds, goods or services to either his own or some other private third party's benefit and/or has engaged in other act(s) of misconduct which the City Council believes is/are detrimental to the City and/or its interests; and
- c. The Manager fails to faithfully or diligently perform, or is unable to perform, his job duties.

3.3 Not For Cause Termination. In the event Manager is involuntarily terminated by the City before the expiration of this Agreement (albeit Manager is willing and able to perform his duties) for reasons other than those set out above in subsection 3.2, then in that event, Manager shall be entitled to (and City agrees to pay) a severance payment equal to the value of six (6) months' salary. Payment of the severance shall be made monthly, each payment being the value of one month's salary. The right to said payment shall cease if, during the period of the scheduled payments, Manager accepts employment with another employer. Manager has an affirmative obligation to notify the City upon acceptance of other employment.

3.4 Reduction in Salary. If the City reduces the salary or other financial benefits of Manager in a greater percentage than an applicable across the board reduction for all City Department Heads, or if Manager resigns at the request of the City Council (for reasons other than those set out in subsection 3.2), then Manager may deem this Agreement to be involuntarily terminated without cause and shall then be entitled to severance pay consistent with subsection 3.3 above.

3.5 Voluntary Resignation. If Manager voluntarily resigns his position with the City for any reason before expiration of this Agreement, then Manager shall give the City at least thirty (30) calendar days' written notice in advance, excluding accrued vacation, and Manager shall be available to serve during this period. The City Council, however, shall have the discretion to decide whether Manager shall continue in his position during the notice period.

3.6 Accrued Leaves on Separation. Termination pursuant to subsection 3.3 or resignation pursuant to subsection 3.5 shall entitle Manager to a lump sum payment equivalent to all accrued and unused vacation within thirty (30) days of termination. If the City terminates Manager pursuant to subsection 3.2, Manager shall receive accrued and unused vacation.

## **SECTION 4. COMPENSATION**

4.1 Salary. The City agrees to pay the Manager an annual base salary of one-

hundred sixty-three thousand dollars (\$163,000) payable on the same schedule as other employees of the City are paid and subject to all withholdings required by law. Manager shall be entitled to receive a Cost of Living Adjustment (COLA) to his salary in the same percentage amount and at the same time as may be given to City's Department Heads. The Manager compensation may be considered for adjustment based on merit or market factors in conjunction with an evaluation conduction pursuant to Section 5.

4.2 Expenses. City shall reimburse Manager for all actual and necessary expenses including IRS standard mileage rate for use of Manager's personal automobile, as provided in the budget and as necessary to perform assigned duties and responsibilities. Supporting vouchers and receipts shall be provided by Manager for such expenditures according to City procedures. Mileage will be calculated either from Manager's residence or Sandy City Hall, whichever is less.

4.3 Professional Development and Organizations. The City encourages the Manager to pursue the ICMA Credentialed Manager voluntary credentialing program. City shall pay the direct costs associated with Manager obtaining said credential. Upon Manager's obtaining said credential, City will pay Manager a one-time bonus in the amount of \$5,000.

The City encourages the Manager to attend the annual League of Oregon Cities (LOC) Conference, the spring and summer conferences for Oregon City/County Management Association (OCCMA), activities of the LOC, and conferences and meetings of state committees or commissions upon which the Manager serves as a member, as the Manager's other duties may allow. City agrees to pay for attendance costs that may not be provided by OCCMA, subject to approval in the City budget.

Attendance at out-of-state conferences and meetings, membership on state or national committees or commissions, and other official meetings or travel are reasonable for the professional advancement of the Manager. Such activities, however, requires prior approval by the City Council. The City Council, at its sole discretion, shall have the right to approve or disapprove such out-of-state membership or travel.

The City expressly authorizes membership of the Manager in ICMA and OCCMA, and shall pay Manager's membership fees to these organizations and any reasonable attendance costs at annual conferences and conventions associated with Manager's participation in ICMA, LOC, and OCCMA, subject to approval in the City budget.

4.4 Temporary Additional Compensation. In recognition of the fact that Manager previously served as the City's Finance Director and will continue to serve those functions until a new Finance Director can be hired, the City agrees to compensate Manager an additional one-thousand dollars (\$1,000) per month for each month, prorated for each partial month, beginning on the effective date of this Agreement and ending on the date an individual first begins work in the Finance Director position, but in any event not to exceed a total of four (4) months.

## **SECTION 5. EVALUATION**

Manager will seek frequent informal feedback on performance from the Mayor and City Council Members. Additionally, the City Council shall formally evaluate the

Manager annually. All evaluations shall be communicated to the Manager consistent with Oregon Public Meetings Law.

## **SECTION 6. BENEFITS**

6.1 Health, Life, and Disability Insurance. The City agrees to provide medical, dental, life, and accidental death and dismemberment insurance for the Manager, spouse, and dependents and to pay the premiums for such benefits under the same programs and policies as are applicable to all other Department Heads.

6.2 Cellular Phone. City shall pay Manager a monthly data allowance of \$60 per month, or Manager may instead elect to have City provide Manager with a City owned and maintained cellular phone for Manger to use to conduct City business, at City's expense.

6.3 Other Benefits. Except as expressly provided herein, Manager shall be entitled to all standard employee benefits provided to Department Heads and as set forth in City policies, including (as applicable) but not limited to: gym membership allowance workers' compensation insurance coverage, Public Employee Retirement Benefits (PERS), City holidays, and sick, vacation, and administrative leave time.

## **SECTION 7. HOURS OF WORK AND OUTSIDE ACTIVITIES**

7.1 Manager's Time. The parties acknowledge that the performance of the duties of City Manager constitutes a full-time job. The City Manager does not have set hours of work as the City Manager is expected to be available during the work week. However, it is also recognized that the Manager must devote a great deal of his time outside of normal office hours to the business of the City, and to that end the parties recognize that the Manager's schedule of work each day and week shall vary in accordance with the work required to be performed. Manager is an exempt professional from the overtime provisions of the federal Fair Labor Standards Act, and its counterpart in Oregon law.

## **SECTION 8. OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

8.1 City Rules and Regulations. All provisions of the City Code, regulations, and rules as they now exist, and hereafter may be amended, shall apply to the Manager as they would to other employees of the City, unless they conflict with the terms of this Agreement.

## **SECTION 9. GENERAL PROVISIONS**

9.1 Professional Liability. The City agrees to defend, hold harmless and indemnify Manager from any and all demands, claims, suits, actions and legal proceedings brought against Manager in his individual capacity, or in his official capacity as agent and employee of the City, consistent with the terms of the Oregon Tort Claims Act (ORS 30.260 to 30.300).

9.2 Modification. Nothing shall restrict the ability of the City and Manager to amend or adjust the terms of this Agreement. However, no amendment or adjustment shall be valid unless in writing and signed by both the City and Manager. Manager

reserves the right to discuss the terms of this Agreement with the City Council as a whole in either closed Executive Session or open Regular Session in accordance with Oregon Public Meetings Law.

9.3 Severability. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable and shall not be affected, and shall remain in full force and effect.

9.4 Rights and Duties. The rights and duties of the City and Manager shall survive the termination of this Agreement.

9.5 Integration. This Agreement contains the entire Agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject

9.6 Bonding. City shall bear the full cost of any fidelity or other bonds required of Manager under any law or ordinance.

9.7 Laws and Venue. This agreement shall be governed by the laws of the State of Oregon. Venue shall be in Clackamas County, Oregon.

9.8 Conflict of Interest. Manager shall not engage in any activity, business, or transaction or have a financial or personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of his duties.

9.9 Assignment. Manager may not assign any interest in this Agreement and shall not transfer any interest in the same.

9.10 Waiver. A waiver by a part of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

9.11 Mediation and Dispute Resolution. Should any dispute arise between the parties to this Agreement, it is agreed that such dispute will be submitted to a mediator prior to any litigation and the parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Oregon City, Oregon unless both parties agree in writing otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through the mediation process. If a party requests mediation and the other party fails to respond within ten (10) days or if the parties fail to agree on a mediator within ten (10) days, either party may apply to the presiding judge of the Clackamas County Circuit Court to appoint a mediator. Any litigation arising under or as a result of this Agreement shall be tried to the court without a jury. The parties shall have any rights at law or in equity with respect to any dispute not covered by this section.

**SECTION 10. NOTICES**

Notices pursuant to this Agreement shall be given by deposit into the custody of the United States Postal Service, by certified mail, postage paid and addressed as follows:

CITY:  
Mayor  
City of Sandy  
39250 Pioneer Blvd.  
Sandy, OR 97055

*And*

Beery Elsner & Hammond, LLP  
Attn: Josh Soper  
1804 NE 45<sup>th</sup> Ave  
Portland, OR 97213

MANAGER:  
Tyler Deems



Alternately, notices required pursuant to this agreement may be served personally in the same manner as is applicable to civil judicial practice. Notice shall be deemed to be given as of the date mailed or personally served.

IN WITNESS WHEREOF, the City Council of the City of Sandy has approved and caused this agreement to be signed and executed in its behalf by its Mayor, and the same has been signed and executed by Manager.

\_\_\_\_\_  
Stan Pulliam, Mayor                      Date  
City of Sandy

\_\_\_\_\_  
Tyler Deems                                      Date