

**Employment Agreement
Between
City of Sweet Home, Oregon
And
Kelcey Young**

This Employment Agreement (hereinafter “Agreement”) is made and entered on the day set out above the signatures below by and between the City of Sweet Home, an Oregon municipal corporation (hereinafter “City”), and Kelcey Young (hereinafter “City Manager” or “Manager”), collectively referred to as “Parties” to set out the terms and conditions of City’s employment of City Manager.

Section 1: Term

The City Manager’s initial date of hire and anniversary date is October 1, 2022. This Agreement is automatically renewed each January 1st for a one (1) year term, unless or until either party provides written notice at least thirty (30) days prior to December 1st of the prior calendar year of intent not to renew or the Agreement is terminated, amended or modified by either City or City Manager as hereinafter provided.

Section 2: Duties and Authority

City agrees to employ Kelcey Young as its City Manager to perform the functions and duties specified in the City Charter and City Code, and to perform other legally permissible and proper duties and functions of that office as assigned by the Mayor and City Council periodically. City Manager agrees to accept employment as City Manager.

The Mayor and City Councilors affirm their commitment to the principal of noninterference in the City’s administration as necessary to the orderly and efficient implementation of City Council policy and City Charter requirements. The Mayor and City Council will direct their concerns and communications to City staff through the City Manager. The City Manager agrees to respond promptly to all inquiries from the Council whether made individually or collectively.

Section 3: Compensation

The salary range for City Manager is \$120,000 to \$150,000. The City will set Manager’s initial salary at one-hundred thirty-five thousand dollars (\$135,000). City Manager will be paid in accordance with City payroll practices applicable to other non-union represented employees.

The City Council shall conduct regular performance reviews of the City Manager on a not less than annual basis during October of each year commencing in October, 2023, consistent with the protocols set out in Section 14 below. Based on traditional compensation considerations including but not limited to the City Manager labor market and comparability, cost of living adjustments for other City employee groups, and exceptional performance, the Council may adjust the City Manager’s base salary for the successive annual term. Any adjustment shall be effective as of January 1 following the review described herein and in Section 12. Notwithstanding Section 19 B below, an adjustment in Manager’s base salary need not be undertaken by amendment of this Agreement.

The City will pay City Manager in equal installments at the same time as other employees of the City are paid. In addition, after Manager has completed six (6) months of employment the City shall provide Manager with any cost-of-living adjustment and increase, including changes in other benefits, in such

amounts and to the extent granted other full-time management City employees. Such increases or decreases being effective consistent with the City's Fiscal Year and Pay Plan.

Section 4: Retirement

The City shall contribute to the *MissionSquare* retirement plan(s) established for other City senior management employees for each month or part thereof she is employed by the City as City Manager.

Section 5: Health, Disability and Life Insurance Benefits

The City will provide and pay a portion of the premiums for health, vision and dental insurance benefits for the City Manager (and her dependents) equal to that provided other full-time management employees of the City. The City Manager will pay the portion of any premium(s) due in an amount/percentage equal to that required of other full-time City management employees.

The City will make group premium payments for life, accidental death, dismemberment, and long-term disability insurance coverages for City Manager who may elect to participate in such group benefits.

Section 6: Vacation, Management and Sick Leave

The City Manager shall accrue sick, vacation and other leaves at the same rate accorded other full-time management employees of the City. In addition, each July 1st during Manager's employment, City shall provide Manager with ten (10) paid days management leave. Administrative leave has no cash value and is to be used, if at all, in the calendar year given. The Manager may take such administrative leave at her discretion during the applicable calendar year and not otherwise.

Consistent with City policy, Manager shall accrue up to a maximum of two (2) times her annual accrual of vacation time (exclusive of holidays) recognized by the City. Manager shall be entitled to City recognized holidays and two (2) personal leave days. The Manager shall accrue sick leave in accordance with City policy. Unused but accrued holiday, personal leave and/or sick leave have no cash value.

In the event of termination, either voluntarily or involuntarily, the City Manager shall be paid for any accrued unused vacation time as of the date employment ends.

Section 7: Automobile and Monthly Expense Allowance and Cell Phone

To compensate Manager for automobile and other expenses related to the duties of the City Manager, the City will pay a monthly Auto Expense Allowance of three hundred seventy-five dollars (\$375.00) as full payment for the Manager's use, purchase and/or lease of an automobile, as well as its operation (including insurance and maintenance) and for all other auto-related expenses in connection with business travel. Manager shall obtain from her automobile liability insurer a certificate of insurance and furnish it to the City and shall maintain appropriate insurance coverage which meets Oregon requirements.

The City Manager shall be issued a City cell phone. Manager's reasonable use of the cell phone for personal reasons and reasons of convenience shall be deemed a part of the Manager's compensation.

Section 8: Relocation Reimbursement Inducement

The City shall reimburse moving expenses incurred by Manager in relocating her family to Sweet Home in an amount up to six thousand dollars (\$6000).

Section 9: Termination

Termination by the City without Cause. This Agreement may be terminated by the City for any lawful reason whatsoever upon giving not less than thirty (30) days written notice to the Manager.

Termination by City for Cause. City may terminate this Agreement for Cause. For the purpose of this Agreement, "Cause" shall occur when:

1. The Manager willfully fails or refuses to comply with the terms of this Agreement and/or the lawful written policies, standards and regulations of the City now in existence or as may be established periodically;
2. The City has reasonable cause to believe the Manager has misappropriated City funds, goods or services to either her own or some other private third party's benefit or committed any other act of willful misconduct, malfeasance or neglect of duty related to the Manager's employment by the City which the City Council believes in good faith is detrimental to the interests of the City; or
3. The Manager is charged with a crime.

Section 10: At Will Status; Severance Payment

It is understood by the Parties that the employment relationship between the City and the City Manager is employment at will and the City Manager enjoys those rights set forth in this Agreement.

No severance shall be paid nor earned by the Manager (1) if her employment is ended during the first twelve months of employment, or (2) if her employment is terminated for cause as defined in Section 9 above or if she voluntarily resigns under Section 11 of this Agreement.

If the Manager is terminated without cause by the City, before expiration of this Agreement (or any extension thereof), albeit the Manager is ready, willing and able to perform her duties as City Manager, then in that event, the Manager shall be entitled to and the City will pay a severance payment equal to the monetary value of three (3) months of salary.

Payment of severance shall be made monthly. Each payment shall be in the amount of one (1) month salary less appropriate and lawful payroll deductions as determined by the Finance Director.

Regardless of whether the Manager's employment ends for cause or otherwise, she shall be compensated for all her accrued vacation time. The City will make appropriate contributions to the Manager's retirement plan account(s) based on the value of this vacation compensation payment to the extent otherwise permitted by law and retirement plan.

The Manager shall, if terminated without cause, be entitled to reimbursement equivalent to the cost of COBRA health insurance continuation benefits for three (3) months if she elects to receive COBRA coverage. If the Manager elects COBRA continuation benefits, it shall be her responsibility to enroll and pay the premiums in accordance with the insurance plan requirements.

In the event the Manager is incapacitated or otherwise unable to perform her City Manager duties, and upon utilization of any accrued sick leave or other applicable leave allowed the Manager by operation of law, the City may either suspend this Agreement until the City Manager is able to return to work or terminate this Agreement.

Section 11: Resignation

The City Manager may voluntarily resign her position and terminate this Agreement upon providing the City a minimum of sixty (60) days notice, unless the parties agree otherwise in writing.

Section 12: Performance Evaluation

The City shall review the performance of the City Manager in October of each year subject to a process, form, criteria and format identified and agreed upon by the City Council and City Manager and approved consistent with ORS 192.660(7)(d)(D). The process at a minimum shall include the opportunity for both Parties to: (1) prepare a written evaluation, (2) meet and discuss the evaluation, and (3) present a summary of the evaluation results.

In addition, during the initial twelve (12) months of employment, Mayor, Council and Manager will address priorities and particular desires which the Manager, Mayor and Councilors may identify periodically. Manager may receive the benefits of a communication/feedback process conducted at the three (3) month, six (6) month and nine (9) month anniversaries of Manager's employment. This process will be designed by the Manager in collaboration with the Mayor and City Council and is intended by the Parties to facilitate success through relationship building and a mentoring introduction to Sweet Home community culture and expectations.

Section 13: Hours of Work

The City Manager is a salaried employee who must devote a great deal of time outside the normal office hours on business for the City, and to that end the City Manager shall be allowed to establish an appropriate work schedule. The City Manager may adjust her work schedule, including time she is in attendance in her office, provided that the City Manager's work schedule is sufficient to attend to the functions of the City and satisfactorily fulfill the duties of City Manager.

Section 14: Outside Activities

The employment provided for by this Agreement shall be the City Manager's sole employment. Notwithstanding the foregoing, the City will permit outside consulting or teaching opportunities which may provide indirect benefits to the City, and the City Manager may elect after written approval from the City Council to accept limited teaching, consulting, or other opportunities with the understanding that such arrangements may not create interference with nor present a real or perceived conflict of interest with her responsibilities as City Manager.

Section 15: Professional Development

The City recognizes the importance of the Manager's professional development and, in that regard, the Manager may maintain membership in certain professional organizations and pursue continuing education in the areas important to her duties as City Manager. The City shall provide for the Manager's membership dues in the International City/County Management Association and the Oregon City County Management Association. The City will provide funding of the Manager's registration and reasonable travel and related expenses to attend conferences and seminars appropriate to the duties of the City

Manager, including but not limited to meetings and training sponsored by the League of Oregon Cities and ICMA. Such funding shall be considered as part of the City's annual budget process. All out-of-state travel, if any, must be specifically approved by the City Council.

The City will pay the costs of ICMA management credentials and certification when Manager is eligible to enroll in the ICMA management certification program after her fifth (5th) anniversary of employment as City Manager.

Section 16: Indemnification

The City shall defend, hold harmless and indemnify Manager from all demands, claims, suits, actions and legal proceedings brought against the Manager in her individual or 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).

The City will pay the City Manager a reasonable consulting fee and travel expenses should the City Manager serve as a witness, advisor or consultant to the City regarding pending or active litigation following the termination of her employment.

Section 17: Bonding

The City shall bear the full cost of any fidelity or other bonds required of the City Manager by law.

Section 18: Other Terms and Conditions of Employment

Except as otherwise provided in this Agreement, the City Manager shall be entitled to the level of benefits enjoyed by other department director level employees of the City.

Section 19: General Provisions

A. Integration. This Agreement sets forth and establishes the entire understanding between the City and the City Manager relating to the employment of the City Manager by the City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement.

B. 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.

This Agreement is personal to the City Manager and is not subject to assignment or transfer but shall be binding upon, and inure to the benefit of, the heirs and executors of the City Manager.

C. Mediation. Should any dispute arise between the parties regarding the terms of this Agreement or work or services covered thereby, it is agreed that such-dispute is required to be submitted to a mediator prior to arbitration. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in the Portland metropolitan area, unless both parties agree otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this 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, a mediator shall be appointed by the presiding judge of the Linn County Circuit Court upon request of either party.

D. Arbitration. In the event the parties have a dispute concerning the terms of this Agreement, the terms and conditions of the employment relationship, or the violation of any federal, state or local law relating to the employment, relationship (and they have not otherwise resolved the matter through the mediation process set out in subsection (C) above), then the dispute shall be resolved by submitting it to binding arbitration.

1. Within thirty (30) days of a notice by either party to the other requesting arbitration, the City and the Manager shall select an arbitrator from a list of three (3) obtained from Arbitration Services of Portland, Inc. (ASP). The arbitrator shall for purposes of the arbitration proceedings apply the rules of mandatory arbitration as adopted by the ASP in effect at the time of the arbitration.
2. Within sixty (60) days of the selection or appointment of the arbitrator, both the City and the Manager shall concurrently submit to the arbitrator (supplying a copy to each other) a written statement of their respective legal and factual positions on the dispute. The arbitrator shall determine, after a hearing on the merits and within forty-five (45) days after receipt of the statements, the determination of the dispute, which determination shall be final and binding.
3. Each party shall bear equally the expense of the arbitrator and all other expenses of conducting the arbitration. Each party shall bear its own expenses for witnesses, depositions, and attorneys.

E. Effective Date. This Agreement shall be effective from and after the date it is signed by both Parties.

F. Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. If any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

IN WITNESS WHEREOF, the City of Sweet Home has caused this Agreement to be signed and executed in its behalf by the Mayor and duly attested by the City Recorder, and the City Manager has signed and executed this Agreement, this _____ day of August, 2022.

Mayor

City Recorder

APPROVED AS TO FORM
Attorney acting on behalf of the City of Sweet Home

Kelcey Young, City Manager - Select