

CITY ADMINISTRATOR EMPLOYMENT CONTRACT

The CITY OF STANWOOD, a municipal corporation of the State of Washington (hereinafter referred to as "City"), hereby agrees to employ Deborah Knight as City Administrator, and the said Deborah Knight (hereinafter referred to as "City Administrator") hereby agrees to serve as the City Administrator for the City of Stanwood, on the terms and conditions stated below.

1. Scope of Authority and Duties: The City Administrator shall be subject to the direction, supervision and authority of the Mayor. The scope of authority and duties of the City Administrator are summarized below and in Stanwood Municipal Code Chapter 2.06.

The City Administrator shall operate within the statutory authority of strong Mayor – Council form of government, as set forth in RCW Chapter 35 A.12. Under the direction of the Mayor, the City Administrator shall be responsible for executing the policies of the City established by the City Council in its ordinances, motions, and resolutions.

With the approval of the Mayor, the City Administrator will have the authority to hire and fire City employees. The City Administrator shall have supervisory and oversight responsibilities over the Police, Finance, Human Resources, Planning, and Public Works Departments, as well as the City Clerk's office. At the Mayor's request the City Administrator shall represent the City in regional organizations in which the City holds membership. The City Administrator proposes the annual budget to the Mayor and Council and provides frequent updates on the overall financial outlook of the City. The City Administrator shall oversee and engage in, if deemed necessary, collective bargaining and propose contracts to the Mayor and Council for approval.

The City Administrator shall attend all regularly scheduled council meetings and workshops. She shall perform other duties as assigned by the Mayor.

2. Compensation: The starting annual salary for the City Administrator shall be \$115,000. Payments of said salary shall be made on the second pay period of every month. The City Administrator will be eligible for mid-month payroll draws per the Stanwood Personnel Policy.
3. Salary Adjustments and Performance Reviews: The salary for the City Administrator shall be subject to annual review by the Mayor and Council. Provided, however, during the first 6 months of employment there shall be a facilitated performance evaluation facilitated by a third party who will also assist the City Administrator, Mayor and Council in establishing an agreed upon process for future performance reviews and initial performance criteria and goals for the City Administrator which shall be updated annually for the following year. Following each annual performance review if the Mayor with input from the Council concludes that goals and performance criteria have been adequately met, the City Administrator will be eligible for a salary increase within the salary range of the position, as decided by the Mayor and approved by the City Council.

4. Fringe Benefits: Except as provided otherwise in this Agreement, City will pay, in addition to the compensation set forth in Paragraph 2 above, all health care and insurance benefits the same as those provided to all other management employees and as provided in the City's Employment Policies and Procedures.

In addition to the above the City will pay the employer's portion of applicable payroll taxes and benefits for: social security, Medicare, retirement (PERS 2 or 3), and L & I.

5. Deferred Compensation. The City will pay 3.0% of the City Administrator's annual salary into a 457 Deferred Compensation Plan approved by the City, to be added to the City Administrator's gross monthly pay in accordance with IRS requirements, then deducted and submitted in equal monthly installments to the plan provider.
6. Hours of Work: City Administrator is an exempt, salary position not eligible for overtime under the Fair Labor Standards Act or the State equivalent.

The City Administrator is responsible for arranging, with approval of the Mayor, her own hours of work to effectively complete the duties as outlined in Section 1 of this contract.

7. Executive Leave: In lieu of compensatory time, the City Administrator shall be granted ten (10) days of executive leave each calendar year. Said leave shall be pro rated for 2012 for 7 months which is 5.83 days. Executive leave may be used for any reason, and the City Administrator must schedule and receive approval by the Mayor for use of executive leave. Executive leave must be used in the calendar year granted and shall not be carried into the next calendar year. There shall be no cash out of unused executive leave upon separation of employment.
8. Reimbursable and/or Business Expenses: The City agrees to reimburse the City Administrator for reasonable and necessary expenses of a non-personal and job-related nature, which are incurred for the benefit of the City, per the Stanwood Personnel Policy. Said expenses shall include travel to and the costs of professional meetings, conferences, and short courses attended by the City Administrator which are approved in advance by the Mayor.

The City will pay City Administrator a monthly automobile allowance of \$250.00 for use of her personal vehicle for City business.

The City will pay for the Administrator's conference registration, subsistence and travel to at least one statewide conference of a professional City Administrator/Manager's association annually.

The City will also pay for the City Administrator's annual membership in the Washington Cities Management Association (WCMA) and the International Cities/Counties Management Association (ICMA).

The City will provide to the City Administrator a laptop computer and a cell phone for City business use. Both items will remain the property of the City.

9. Vacation: Upon the City Administrator's hire date the City Administrator will receive an accrued vacation bank of 10 days (80 hours); however, if the City Administrator leaves the City's employment by her own choosing within 18 months of her start date, she will forfeit the 10 days (80) hours which will be deducted from her vacation leave bank.

In addition to the initial leave bank vacation leave shall be accrued in equal monthly amounts of 15 days (120 hours) per year.

Vacation leave shall not be permitted in excess of 30 days (240 hours). Any vacation accrued but unused in excess of 30 days shall be lost.

Negative vacation balances will not be allowed.

The City Administrator is eligible to cash-out up to 5 days (40 hours) of accrued but unused vacation leave at the end of the calendar year, per the Stanwood Personnel Policy. Also, the City Administrator is eligible for payout of all vacation leave accrued but unused (up to 30 hours) upon employment separation, per the Stanwood Personnel Policy.

10. Sick Leave: Upon the City Administrator's hire date, the City Administrator will receive an accrued sick leave bank of 5 days (40 hours). Thereafter, sick leave shall be accrued in equal monthly amounts of 12 days (96 hours) per year.

Sick leave shall not be accrued in excess of 90 days (720 hours) at any time.

Upon separation of employment from the City, the City Administrator shall not receive cash out of accrued but unused sick leave.

11. Holidays: The City Administrator shall be entitled to the same paid holidays provided to all City employees as set forth in the Stanwood Personnel Policy.
12. Indemnity: The City will defend and indemnify the City Administrator consistent with RCW 4.96.041.
13. Termination of Contract – At-will Employment: The term of this Contract shall commence on June 1, 2012 and shall continue until terminated by either party as set forth below.

The City Administrator is an at-will employee and shall serve at the pleasure of the Mayor. It is specifically understood and agreed that the employment of the City Administrator shall be "at will" and either party may terminate this agreement at any time with or without cause.

Termination occurs when:

- a) the Mayor determines for any lawful reason, a need to terminate the City Administrator, or;
 - b) the City Administrator is given opportunity to resign by the Mayor, which the City Administrator may accept and declare to be a termination, or;
 - c) either party notifies the other of a breach of this contract and the party fails to cure within 30 days of notice
14. Cause for Termination: Cause for termination means the City Administrator being charged with a felony; the City Administrator's willful violation of federal, state, or local laws affecting the City; the City Administrator's intentional discrimination against an employee on the basis of age, race, sex, religion, ancestry, creed, disability, marital status or sexual orientation; and/or conduct that is unbecoming of a City Administrator such as driving while intoxicated or committing assault; and other intentional or substantial misconduct that is detrimental to the City.
15. Severance Pay upon Termination: The City Administrator is not entitled to the severance pay described below if termination "for cause" occurs as described in section 14 above.
- Upon the City Administrator's termination as outlined in Section 13(a, b or c), the City will pay severance in the amount of six months base salary on the last day of the month termination occurs.
16. Choice of Law, Breach of Agreement: This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Washington, U.S.A. In the event of litigation concerning the breach, interpretation or application of this Agreement, or any portion thereof, the prevailing party shall be entitled to recover its attorneys' fees and expenses in such amounts as shall be determined to be reasonable by the court.
17. Integration: This contract constitutes the entire agreement between the parties, and both parties acknowledge that there are no other agreements, oral or otherwise, that have not been fully set forth in the text of this contract.
18. Notices: Any notice required to be given under this contract shall be delivered or mailed to the following parties at the following addresses:

Mayor Dianne White
City of Stanwood
10220 – 270th Street, N.W.
Stanwood, WA 98292

Ms. Deborah Knight
12725 Robinhood Lane
Snohomish, WA 98290

Any change of address by the City Administrator shall be submitted to the City's Finance Director and City Clerk.

16. Revisions. All revisions to this Agreement shall be in writing and shall be executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Employment Contract this 30th day of April, 2012.

CITY ADMINISTRATOR

D. Knight
Deborah Knight

CITY OF STANWOOD

Dianne White
Dianne White, Mayor

ATTEST:

By Melissa Collins
Melissa Collins, City Clerk

APPROVED AS TO FORM:

By Grant K. Weed
Grant K. Weed, City Attorney