

EMPLOYMENT AGREEMENT

CITY CLERK/TREASURER

THE AGREEMENT concerning the employment conditions of Ms. Nickole Ann Schutte, hereinafter referred to as “City Clerk/Treasurer”, and the City of Newport, hereinafter referred to as “the City”, has been prepared to avoid possible misunderstandings, assure good working relationships and provide recognition of the executive and management responsibilities of the City Clerk/Treasurer.

WHEREAS it is the desire of the Mayor and City Council to retain the services of the City Clerk/Treasurer and provide inducements for her to remain in such employment; and to foster superior productivity by assuring the City Clerk/Treasurer’s morale and peace of mind with respect to future security; and to provide a just means for terminating the City Clerk/Treasurer’s services at such time as she may be unable to fully discharge her duties, or when the City may otherwise desire to terminate her employment; and

WHEREAS the City Clerk/Treasurer desires to build upon and enhance her existing relationship with the City;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. DUTIES:

The City Clerk/Treasurer is responsible to the City Administrator for the general administration of the City’s financial affairs and personnel matters. These duties are set forth in the Newport Municipal Code, and will include such other duties as the City Administrator may from time to time assign.

2. HOURS OF WORK:

It is expressly understood and agreed by the parties that the position of City Clerk/Treasurer is a position that is exempt from the requirements of the Fair Labor Standards Act. Exempt employees are expected to work for such periods of time as are necessary to adequately and professionally handle all assigned tasks and therefore, the City Clerk/Treasurer’s schedule of work may vary each day and week in accordance with the work required, including such time as is necessary outside normal business hours to attend City Council and other public meetings, etc. Since exempt employees regularly interact with city staff, citizens and community leaders, it is expected that exempt employees will generally be available at City Hall during normal business hours unless conducting city business elsewhere or on time off. The City Clerk/Treasurer’s monthly work record shall be kept in a manner complying with Washington State Auditor guidelines.

3. SALARY:

The City agrees to pay the City Clerk/Treasurer an initial monthly salary of \$3,500.00, subject to annual review and payable in installments at the same time that other city employees are paid. The Mayor and/or Council will apply the same criteria in determining future salary adjustments for the City Clerk/Treasurer as they use for adjusting the salaries of other city employees including proficiency, changes in the cost of living, market comparability for similar positions in other cities, and such other criteria as may be appropriate. If future budget constraints necessitate across the board salary reduction for all city employees, the City Clerk/Treasurer's salary will be reduced by the same percentage as all other employees.

4. PERFORMANCE REVIEW:

The performance of the City Clerk/Treasurer shall be reviewed by the City Administrator on an annual basis.

5. SICK AND VACATION LEAVE:

The City Clerk/Treasurer shall receive all sick and vacation leave benefits in the same manner and amount as provided to other city employees.

6. MEDICAL, DENTAL, VISION, LIFE, AND LTD BENEFITS:

The City Clerk/Treasurer shall receive all medical, dental, vision, life, and long term disability benefits in the same manner and amount as provided to other city employees.

7. PROFESSIONAL DEVELOPMENT:

The City agrees to budget for and pay the travel and subsistence expenses of the City Clerk/Treasurer for professional association meetings, continuing education programs, etc. in reasonable amounts so as to enable the City Clerk/Treasurer to pursue necessary official functions and continue her professional development. These meetings and conferences include but are not limited to the annual conference of the Association of Washington Cities, the Washington City Management Association and such other local, state and regional meetings as may be appropriate.

8. TERMINATION AND SEVERANCE PAY:

The employer and the employee agree and acknowledge that a stable, long term employment relationship is contemplated under the terms of this agreement. The employer recognizes that in accepting this appointment with the City of Newport, the employee is voluntarily giving up valuable contractual employment rights given to her by the City of Newport, and therefore, the parties agree that the following contractual provisions shall apply to the employment relationship.

In the event the City Clerk/Treasurer is terminated by the Mayor or asked to resign during such time that employee is willing and able to perform her duties as City Clerk/Treasurer, employee shall be entitled and the City agrees to pay to the employee severance pay for six months, in monthly installments, in the same amount as the City Clerk/Treasurer's regular gross salary, minus only those federal and state deductions mandated by law. No benefits will accrue or be paid by the City for the benefit of the City Clerk/Treasurer during this period.

The above section will not apply in the event employee is terminated by the Mayor for "cause" which is defined as any action or inaction of the City Clerk/Treasurer personally (as distinguished from actions by the employees or officials for whom the City Clerk/Treasurer is responsible) which action or inaction by the City Clerk/Treasurer would clearly constitute misfeasance, malfeasance or nonfeasance of office, and such charge is set forth in the Notice of Termination given by the Mayor to the City Clerk/Treasurer. In the event the City Clerk/Treasurer is terminated for cause, the City shall have no obligation to pay the severance sum designated herein.

In the event the City Clerk/Treasurer voluntarily resigns and gives 30 days advance notice in writing, unless the parties agree otherwise, the City agrees to pay the City Clerk/Treasurer all normal settlements employees receive. The City Clerk/Treasurer may continue to retain all or any part of the health care packages for up to 18 months as provided by law (COBRA), so long as the premium cost is paid by the City Clerk/Treasurer each month, in advance, to the City.

9. RETIREMENT:

The City Clerk/Treasurer, as all other employees, shall participate in the Washington State Retirement System. As required by the Washington State Retirement System, the City Clerk/Treasurer will participate in the PERS II retirement plan.

10. ARBITRATION:

Any alleged breach of the Termination and Severance provisions of the agreement is subject to final and binding arbitration providing written notice is given within sixty days by the party asserting a breach. Failure to provide timely notice is a waiver of the party's right to allege a breach. The parties may mutually select an arbitrator or, failing to reach agreement, may each select an arbitrator on their behalf who shall select a third party to chair the panel. The cost of each party's selected representative and other costs of representation shall be borne by the party who makes the selection. The costs of the neutral, third member shall be shared equally between the parties. An arbitration decision will be made within 60 days of the hearing, is final and cannot be appealed by either party.

11. INDEMNIFICATION:

The City shall maintain in force insurance protection, including comprehensive general liability and public official liability, which is applicable to Ms. Schutte's performance of the duties of the City Clerk/Treasurer. The City shall defend, hold harmless, and indemnify Ms. Schutte from all torts and civil damages arising from the good faith performance of her duties.

12. GENERAL PROVISIONS:

Unless specifically covered in the agreement all other administrative and personnel policies of the City will apply to the City Clerk/Treasurer. The parties agree that the agreement can be amended or modified only with the written concurrence of both parties.

IN WITNESS WHEREOF, THE City and the City Clerk/Treasurer have executed the agreement as of this _____ day of _____ 2001.

CITY CLERK/TREASURER

CITY OF NEWPORT

Nickole Ann Schutte

Dena Opp, Mayor

Attest:

Nickole Schutte
Acting Clerk/Treasurer