



AGENDA
STAYTON CITY COUNCIL
SPECIAL SESSION
Monday, July 22, 2019
Stayton Community Center
400 W. Virginia Street
Stayton, Oregon 97383

CALL TO ORDER

7:00 PM

Mayor Porter

FLAG SALUTE

GENERAL BUSINESS

City Manager Employment Agreement

Action

- a. Staff Report – Alissa Angelo
- b. Public Comment
- c. Council Deliberation
- d. Council Decision

ADJOURN

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or other accommodations for persons with disabilities should be made at least 48 hours prior to the meeting. If you require special accommodations contact Deputy City Recorder Alissa Angelo at (503) 769-3425.

CALENDAR OF EVENTS

JULY 2019

Monday July 29 Planning Commission 7:00 p.m. Community Center (north end)

AUGUST 2019

Monday August 5 City Council 7:00 p.m. Community Center (north end)

Tuesday August 6 Parks & Recreation Board 6:00 p.m. E.G. Siegmund Meeting Room

Tuesday August 13 Commissioner's Breakfast 7:30 a.m. Covered Bridge Café

Monday August 19 City Council 7:00 p.m. Community Center (north end)

Wednesday August 21 Library Board 6:00 p.m. E.G. Siegmund Meeting Room

Monday August 26 Planning Commission 7:00 p.m. Community Center (north end)

SEPTEMBER 2019

Monday September 2 **CITY OFFICES CLOSED IN OBSERVANCE OF LABOR DAY**

Tuesday September 3 City Council 7:00 p.m. Community Center (north end)

Wednesday September 4 Parks & Recreation Board 6:00 p.m. E.G. Siegmund Meeting Room

Tuesday September 10 Commissioner's Breakfast 7:30 a.m. Covered Bridge Café

Monday September 16 City Council 7:00 p.m. Community Center (north end)

Wednesday September 18 Library Board 6:00 p.m. E.G. Siegmund Meeting Room

Monday September 30 Planning Commission 7:00 p.m. Community Center (north end)

OCTOBER 2019

Tuesday October 1 Parks & Recreation Board 6:00 p.m. E.G. Siegmund Meeting Room

Monday October 7 City Council 7:00 p.m. Community Center (north end)

Tuesday October 8 Commissioner's Breakfast 7:30 a.m. Covered Bridge Café

Wednesday October 16 Library Board 6:00 p.m. E.G. Siegmund Meeting Room

Monday October 21 City Council 7:00 p.m. Community Center (north end)

Monday October 28 Planning Commission 7:00 p.m. Community Center (north end)

NOVEMBER 2019

Monday November 4 City Council 7:00 p.m. Community Center (north end)

Tuesday November 5 Parks & Recreation Board 6:00 p.m. E.G. Siegmund Meeting Room

Monday November 11 **CITY OFFICES CLOSED IN OBSERVANCE OF VETERAN'S DAY**

Tuesday November 12 Commissioner's Breakfast 7:30 a.m. Covered Bridge Café

Monday November 18 City Council 7:00 p.m. Community Center (north end)

Wednesday November 20 Library Board 6:00 p.m. E.G. Siegmund Meeting Room

Thursday November 21 **CITY OFFICES CLOSED IN OBSERVANCE OF THANKSGIVING HOLIDAY**

Friday November 22

Monday November 25 Planning Commission 7:00 p.m. Community Center (north end)



CITY OF STAYTON
M E M O R A N D U M

TO: Mayor Henry A. Porter and the Stayton City Council
FROM: Alissa Angelo, Administrative Services Manager
DATE: July 22, 2019
SUBJECT: City Manager Employment Agreement

ISSUE

Consideration of the proposed revised Employment Agreement for Keith D. Campbell, City Manager.

ENCLOSURE(S)

- Redline Version of Employment Agreement

MOTION(S)

1. Motion to approve the revised employment agreement with Keith D. Campbell, as presented.
2. Motion to approve the revised employment agreement with Keith D. Campbell, as modified...

EMPLOYMENT AGREEMENT

This Employment Agreement, hereafter referred to as "Agreement," is made and entered into by and between the CITY OF STAYTON, an Oregon municipal corporation, hereinafter referred to as "City," and Keith Campbell, hereinafter referred to as "ManagerAdministrator" both whom understand and agree as follows:

RECITALS

Whereas, City is a municipal corporation, duly organized under the statutory authority of the State of Oregon;

Whereas, it is the desire of the City to provide certain benefits, establish certain conditions of employment, and to set working conditions of said ManagerAdministrator; and,

Whereas, Keith Campbell desires to continue to be employed as City ManagerAdministrator for the City of Stayton;

NOW, THEREFORE, In consideration of the mutual covenants herein contained, the parties agree to the above recitals and as follows:

1. **Duties.** City agrees to employ ManagerAdministrator to perform, on a continuing basis, the functions and duties of the position which are generally described in the Stayton City Charter, Chapter 2.08 of the Stayton Municipal Code ("SMC"), and other applicable provisions, and the proper duties and functions as the City Council shall from time to time assign.

So long as it does not interfere or detract from his duties for the City, Manager may accept limited part-time teaching duties outside of Manager's employment with the City. Any teaching engagements must occur outside of Manager's work hours, Manager may use paid leave for such engagements.

2. **Term and Effective Date.** The term of this Agreement shall be for four (4)~~three (3)~~ years commencing on July 26, 2019~~the effective date of October 1, 2016~~. This agreement once executed will supersede any and all previous agreements between the parties.
3. **Termination.** Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Mayor, with the consent of the City Council, for any reason whatsoever, with or without cause, to terminate the services of ManagerAdministrator at any time prior to the expiration of said Agreement, subject to the provisions of this Agreement.
4. **Termination for Cause.** If ManagerAdministrator is terminated during the term of this Agreement for cause, City shall have no obligation in respect to the severance pay described in Section 6. For the purposes of this Agreement, "cause" is defined as follows:

- A. Indictment for an illegal act. If such indictment does not ultimately result in a conviction, then the ManagerAdministrator shall receive severance pay. If the

indictment does ultimately result in a conviction, the ~~ManagerAdministrator~~ shall not receive severance pay; or,

- B. Abandonment by the ~~ManagerAdministrator~~ of his position as City ~~ManagerAdministrator~~; or,
- C. The determination that the ~~ManagerAdministrator~~ has committed an act of fraud, dishonesty, act of misconduct or failure to perform his duties on behalf of the City. Such determination shall be made in accordance with the disciplinary and grievance procedures set forth in the adopted personnel policies of the City in force or effect on the date of the alleged misconduct. Provided, however, that a determination by the City Council that the ~~ManagerAdministrator~~ has committed an act of fraud, dishonesty, act of misconduct or failure to perform shall, upon the written election of the ~~ManagerAdministrator~~, delivered to the City Council within ten (10) days of receiving notice of such determinations, be submitted to arbitration pursuant to the terms and provisions of ORS 36.300 to ORS 36.365.

5. Voluntary Resignation. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the ~~ManagerAdministrator~~ to voluntarily resign at any time from this position. In the event the ~~ManagerAdministrator~~ does voluntarily resign prior to the expiration of this Agreement, the ~~ManagerAdministrator~~ shall give the City a minimum of thirty (30) days written notice, unless the parties mutually agree otherwise. In the event of the ~~Manager'sAdministrator's~~ voluntary resignation, the ~~ManagerAdministrator~~ shall not be entitled to severance pay as provided herein at Section 6.

6. Without Cause Termination and Severance Pay.

- A. ~~If Except for the Administrator's termination for cause, as defined in Section 4 and 5 of this Agreement, the Administrator shall be entitled to receive either a lump sum or monthly severance payments (as mutually agreed) and six (6) month family health insurance coverage in the event the Administrator is terminated without cause by the City prior to the expiration of this Agreement, the City shall pay a severance payment to Manager equal to nine 9 (nine) months' of the Manager's monthly base salary, the calculation of which shall not include any added benefits or allowances (such as car or phone allowance). The severance payment shall be calculated using the monthly salary in effect at the time of the termination, minus any state or federal withholdings. City shall also pay Manager an amount equal to nine (9) months' of his family health insurance coverage premiums or may, with the Parties mutual consent, continue Manager's family health insurance coverage premiums for nine months.~~ Termination by the City, as used in this Section, means the ~~Manager'sAdministrator's~~ discharge or dismissal by the City, for reasons other than cause, or the ~~Manager'sAdministrator's~~ forced resignation following the request to him by the Mayor, subject to the consent of a majority of the City Council (SMC 2.08.180 (1)), that he do so for reasons other than cause. The Parties agree to sign a mutually-negotiated Severance Agreement prior to the payment or acceptance of any severance payment due and owing under this section.

~~B. The lump sum or monthly severance payment described in this Section shall be equal to six (6) months base salary at the time of termination.~~

~~€B. As used in this Section, base salary shall be the base monthly compensation in effect at the time of termination, including any merit or cost of living increases applied since the inception of this Agreement. Said severance pay shall be paid to the ManagerAdministrator within thirty (30) days after the timeframe specified in the mutually-effective date of termination unless otherwise agreed upon Severance Agreement. in writing.~~

7. Compensation. Beginning with the effective date of this Agreement, the City agrees to pay the ManagerAdministrator, compensation for his services to the City, as follows:

A. Base salary shall be \$~~116,400~~106,685 annually. -The ManagerAdministrator shall be paid at the same place and time as other City employees are paid.

B. In addition to the base salary, the ManagerAdministrator shall be entitled to any cost of living salary increases that are received by other City employees who are not subject to separate bargaining agreement. -This shall include any cost of living increases applicable on the effective date of this Agreement that would have the effect of increasing the base compensation stated in 7.A above.

C. Annually, following a satisfactory performance evaluation by the City Council, the Manager will receive a 1% annual percentage bonus based on salary. An increase in base salary, or other forms of remunerations, based solely on merit, may be mutually negotiated with the City Council.

i. For the purposes of Section 7.C of this agreement, the Manager will be deemed to have received a satisfactory performance evaluation if the Council fails to complete a performance evaluation within sixty (60) days of the annual performance due date.

~~€D.~~ All compensation described in this Section shall be subject to customary withholdings of income taxes and shall be subject to usual employment taxes required with respect to compensation paid by the City to an employee.

8. Acceleration of Compensation. The City ManagerAdministrator is the chief executive officer of the City government and should be compensated accordingly. -The City shall ensure that the Manager, Administrator continues to be the highest paid City employee throughout the course of this Agreement by providing that his base salary will be at least 3% above the base salary and other cash compensation of the highest paid department head.-

9. Retirement. The City shall make an Employer contribution into the Manager's retirement account in a percentage to be determined by the City Council from time to time. Presently, that percentage is eighteen percent (18%) of the Manager's base salary. This Employer

~~contribution shall not be reduced from eighteen percent (18%) unless the City can show significant financial hardship and the Employer contribution is also reduced by the same amount for all other employees participating in the same plan. Further, the City agrees to pay the Manager for the Employee's portion of the retirement contribution as well, which is six percent (6%) of the Manager's base salary. The Administrator shall, as required by State Law, participate in the City Retirement Program. There is a 6% employee contribution portion required by law. The City will pay (1/2) 3% of the 6% contribution for retirement.~~

~~A. If the Administrator is terminated without cause, as prescribed in Section 3 of this agreement, the Administrator shall have the option to receive a lump sum payment for all monies that the Administrator has paid during employment with the City into the City's retirement plan. The Administrator will not be eligible if the Administrator is Terminated with Cause (Section 4), or if the Administrator Voluntarily Resigns (Section 5).~~

10. Paid Leave. The ~~Manager~~Administrator shall be entitled to earn, accumulate and utilize certain types of paid leave time as follows and shall maintain any leave accumulated during his tenure as ~~Interim~~ City ~~Manager~~Administrator:

- A. Sick Leave. Throughout the term of this Agreement, the ~~Manager~~Administrator shall earn paid sick leave at the rate of one day eight (8) hours per month credited monthly. The ~~Manager~~Administrator may utilize earned and accumulated sick leave at any time following the effective date of this Agreement. Sick leave shall be utilized subject to the terms and conditions of Section 6.3 of the City Personnel Manual to the extent that such terms and conditions do not conflict with the terms of the Agreement, in which case this Agreement shall govern. In the event of the ~~Manager's~~Administrator's resignation or termination for any reason, all remaining earned and unused sick leave shall be forfeited.
- B. Vacation. Throughout the term of this Agreement, the ~~Manager~~Administrator shall earn paid vacation at ~~a level that is equivalent to service time plus five years, the rate of three weeks per year (10 hours per month),~~ credited monthly. —The ~~Manager~~Administrator may utilize earned and accumulated vacation leave at any time following the effective date of this Agreement. In addition, in the event of the ~~Manager's~~Administrator's resignation or termination for any reason, all earned and unused vacation leave, up to a maximum of ~~3025~~ days (~~240200~~ hours), shall be paid in a lump sum at the time of resignation or termination, and in addition to, and independent of, any applicable severance pay as described in Section 6 of this Agreement.
- C. Personal Leave. The ~~Manager~~Administrator shall receive ~~ten (10)~~seven (~~7~~) days of paid personal leave annually which may be used in any combination or at any time. Award of subsequent years' personal leave shall coincide with the anniversary date of this Agreement. Personal leave days, if not used within twelve (12) months from the date of entitlement, must be used in the first three (3) months of the new anniversary year or will be lost.

D. Management Leave. It is understood by the parties that the ManagerAdministrator is exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) and that the position may frequently require far in excess of a standard 40-hour work week to accomplish the duties of the position. It is similarly understood, however, that nothing in this Agreement shall be construed as to prevent the ManagerAdministrator from compensating for periods of long hours, when City business permits, by taking occasional and reasonable management leave to rest, take care of personal business or further his professional development.

11. Other Benefits. The ManagerAdministrator shall receive all other employee benefits regarding wages, hours and other terms and conditions of employment as other permanent management employees of the City. These shall include, but are not limited to, standard medical, dental, vision, accidental death & dismemberment or long-term disability insurance coverages, all customary paid holidays and participation, at the Manager'sAdministrator's own expense, in the City's deferred compensation programs or any other payroll savings program offered by the City.

Upon the execution of this agreement, the City agrees to pay the Manager a one-time merit bonus of \$5,000. Such amount shall be subject to any legally required withholdings.

12. Professional Development.

A. City agrees to budget and pay for professional fees, dues and subscriptions on behalf of the ManagerAdministrator which are reasonably necessary to the continuation and participation in organizations necessary and desirable for continued professional growth and advancement.

B. City agrees to budget and pay for travel and subsistence expenses of the Manager—
Administrator for official travel, meetings and occasions reasonably adequate to continue the professional development of the ManagerAdministrator, and reasonably pursue other necessary official functions for the City.

C. The City agrees to budget and pay travel and subsistence for travel to, and attendance of the OCCMA and ICMA conferences, and other conferences as deemed appropriate and relevant for the ManagerAdministrator.

13. Vehicle Use/Expenses. The City agrees to pay the Manager during the term of this agreement the sum of \$3,600 per year, payable in pro-rated monthly installments as a vehicle allowance. The Manager shall be responsible for liability, property damage, and comprehensive insurance coverage upon such vehicle and shall further be responsible for all expenses attended to the purchase, operation, maintenance, repair, and replacement of said vehicle. The City shall reimburse the Manager at the IRS standard mileage rate for any City-business travel beyond the Stayton area. For purposes of this section, use of the car outside the Stayton-area is defined as travel to locations at least 100 miles outside Stayton city limits.

~~13. **Vehicle Use/Expenses.** The City agrees to reimburse the Administrator for all business-related travel expenses, using his personal vehicle, at the rate specified by state and federal guidelines.~~

14. Residency. The City ~~Manager~~Administrator will become a resident of the City of Stayton unless circumstances change that may require the ~~Manager~~Administrator to move. In that event the ~~Manager~~Administrator shall not live more than twenty miles (20) from the City of Stayton.

15. Performance Evaluation. An annual written performance evaluation shall be performed on or near the anniversary date of this contract effective date. The City Council shall conduct a written performance evaluation of the ~~Manager~~Administrator, based on performance standards established in advance by the City Council. The performance evaluation shall be reviewed with the ~~Manager~~Administrator in Executive Session, unless the ~~Manager~~Administrator invokes his statutory right to have the performance evaluation reviewed in open session.

16. Professional Liability. The City agrees to defend, hold harmless and indemnify, at its expense, the ~~Manager~~Administrator from all demands, claims, losses, damages, suits, actions, errors or other omissions, charges, expenses or attorney's fees in any proceeding brought against the ~~Manager~~Administrator individually or in his official capacity as an agent or employee of the City, provided the incident arose while the ~~Manager~~Administrator was acting within the scope of his employment, excepting there from criminal acts or acts of gross negligence on the part of the ~~Manager~~Administrator.

17. Bonding. City shall bear the full cost of any fidelity or other bond required of the ~~Manager~~Administrator under any law or City Ordinance.

~~18. **Interference.** -The ~~Manager~~Administrator, having been appointed by the Mayor with City Council confirmation, is employed by the collective Mayor and City Council of the City of Stayton. No Mayor or individual Councilor shall unduly interfere in the ~~Manager's~~Administrator's ability to carry out his duties or attempt to influence the ~~Manager's~~Administrator's actions in respect to hiring or firing of other City employees, purchasing, or administration of other City business in carrying out the direction of the City Council. The City Council shall afford the ~~Manager~~Administrator an open forum to review and discuss any alleged act or interference or undue attempt to influence the ~~Manager's~~Administrator's actions or administrative decisions.~~

~~19,18.~~

~~20,19.~~ **Other Terms and Conditions.**

A. Applicable Law. This Agreement is construed under the laws of the State of Oregon, the City of Stayton Charter and the Stayton Municipal Code.

B. Attorney Fees. In the event of any action or proceeding herein, including mediation or arbitration, the prevailing party in such action or proceeding shall be entitled to reasonable attorney fees to be fixed by the presiding party, and if an appeal is taken

from the decision, such further sums as may be fixed by the appellate court as reasonable attorney fees, together with prevailing party costs and disbursement incurred therein.

- C. Performance of Duties. ~~Manager~~~~Administrator~~ shall perform his duties in accordance with all applicable laws, ordinances, rules and regulations applicable to his position, including the International City/County Management Association Code of Ethics, of which a copy is attached hereto and incorporated herein. -
- D. Entire Agreement. This Agreement, except as herein expressly provided to the contrary, constitutes the entire Agreement between the parties. The provisions of this Agreement are solely for the benefit of the parties and not for the benefit of any other person, persons or legal entities.
- E. Communications. All communications regarding this Agreement shall be sent to the City, unless the ~~Manager~~~~Administrator~~ is notified to the contrary in writing. The ~~Manager~~~~Administrator~~ shall advise the City, in writing, of his residence address for forwarding any communications regarding this Agreement. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to any addresses stated in this Agreement or hereafter specified by notice in writing. In lieu of mailing, written notice shall become effective as of the date it is personally delivered to the addressee.
- F. Inducements and Representations. The ~~Manager~~~~Administrator~~ acknowledges that he has not been induced to enter into this Agreement by any representations or statements, oral or written, not expressly contained herein or guarantees, expressed or implied, other than the expressed representations, warranties and guarantees contained in this Agreement.
- G. Assignment. This Agreement may not be assigned by either the City or the ~~Manager~~~~Administrator~~.
- H. Dispute Resolution. In the event a dispute arises under the terms of this Agreement, it shall be resolved by mandatory mediation; if it is not settled thereby, the dispute shall be resolved by binding arbitration in accordance with the Uniform Trial Court Rules of Oregon, whereupon the prevailing party may be awarded reasonable attorney's fees.
- I. Representation. The City has been represented by its City Attorney in the preparation of this Agreement. The ~~Manager~~~~Administrator~~ has the right to independent counsel at his own expense regarding to the preparation of this Agreement.

21.20. Severability. It is understood and agreed by the parties that if any part, term, portion or provision of this Agreement is held by the courts to be illegal or in conflict with the laws of the State of Oregon, the validity of the remaining portion of this Agreement shall not be

affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, portion or provision.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written below:

“CITY”

“MANAGERADMINISTRATOR”

Signed: July _____, 2019 _____ 2016
2019 _____ 2016

Signed: July _____,

Henry A. Porter, Mayor

Keith D. Campbell

ATTEST: _____

Alissa Angelo, Deputy City Recorder
Administrative Services Manager

~~APPROVED AS TO FORM:~~

David A. Rhoten, City Attorney