



**RESOLUTION NO. 25-034
CITY MANAGER EMPLOYMENT AGREEMENT**

WHEREAS, on June 23, 2025, the Council met in Executive Session per ORS 192.660 to review and evaluate the employment-related performance of the City Manager;

WHEREAS, Ms. Hajduk requested amendments to her employment agreement and Councilor Patty was asked to represent Council in those negotiations; and

WHEREAS, Councilor Patty and Ms. Hajduk met and reached an agreement.

NOW THEREFORE, THE CITY OF STAYTON RESOLVES:

SECTION 1. The City Council accepts and authorizes the Mayor to sign the proposed City Manager Employment Agreement.

This Resolution shall become effective upon its adoption by the Stayton City Council.

ADOPTED BY THE STAYTON CITY COUNCIL THIS 3RD DAY OF NOVEMBER 2025.

CITY OF STAYTON

Signed: 11-3, 2025

BY:


Brian Quigley, Mayor

Signed: 11-4, 2025

ATTEST:


Julia Hajduk, City Manager

CITY OF STAYTON EMPLOYMENT AGREEMENT

This Agreement is entered on the date executed below, by and between the City of Stayton, hereinafter referred to as "CITY" and Julia Hajduk, hereinafter referred to as the "CITY MANAGER."

RECITALS

WHEREAS, it is the desire of the CITY to secure and retain the professional services and skills of the CITY MANAGER and to provide inducement for the CITY MANAGER to remain in such employment, and

WHEREAS, CITY MANAGER has the necessary skills and experience to assist CITY; and

WHEREAS, it is the desire of the CITY and CITY MANAGER to minimize disagreements over the terms of employment, promote effective communication, and avoid misunderstandings by reducing employment expectations to writing.

WHEREAS, CITY and CITY MANAGER originally entered into an employment agreement for these services on June 15, 2022. The parties wish to update that original agreement with this revised and restated agreement. This Agreement replaces the original agreement but should be considered a continuation of employment with no break in service or break in benefits.

THEREFORE, in consideration of the mutual covenants herein contained and for consideration herein specified, the CITY and the CITY MANAGER mutually agree:

SECTION ONE - DUTIES

CITY agrees to employ the CITY MANAGER to perform the functions and duties of the CITY MANAGER, as more fully described in the City Charter and Stayton Municipal Code Chapter 2.08 which by this mention incorporated herein. CITY MANAGER'S duties shall be consistent with state law, the City Charter and ordinances, and this Agreement and shall include but not be limited to the following: serve as the chief administrative officer of the CITY; direct and coordinate activities of all CITY departments; implement policy as established by the City Council; exercise, direct, or delegate supervision over all employees of the CITY; and directly supervise all department heads. The CITY may adjust or change the CITY MANAGER'S duties and responsibilities; however, the CITY MANAGER will not be responsible for the supervision, activities or responsibilities of other officers appointed by the City Council.

Residency. CITY MANAGER shall maintain residency within the City of Stayton or within a 20-mile radius of Stayton.

SECTION TWO - TERM; RENEWAL; AT WILL STATUS

Term. The term of this Agreement will commence on November 1, 2025 and will continue until CITY MANAGER either resigns or is terminated in accordance with the terms of this Agreement.

At Will. CITY MANAGER understands and agrees that she is an at-will employee and may be terminated at any time, subject only to the terms of this Agreement.

SECTION THREE - TERMINATION, SEVERANCE; WAIVER; RESIGNATION

Subject only to the terms of this Agreement, the City Council may terminate CITY MANAGER'S employment with the CITY at any time, either For Cause or Without Cause, as provided below.

For Cause Termination. A termination "For Cause" means that the City terminates CITY MANAGER'S employment for one or more of the following reasons: (i) the CITY MANAGER failed or refused to comply with an ordinance, written policy, or applicable regulation of the CITY after receiving written notice of the violation and a reasonable opportunity (not less than ten (10) business days) to cure such noncompliance, unless the violation is not capable of being cured; (ii) the City Council considered the facts and concluded the CITY MANAGER committed an act of fraud, material dishonesty, misappropriation of funds, or intentional deception of the City Council in connection with her duties; or (iii) the CITY MANAGER committed or engaged in a felony or a crime involving dishonesty, theft, or moral turpitude. To terminate the CITY MANAGER for Cause at any time during any term of this Agreement, the CITY must first provide the CITY MANAGER with written notice stating the reasons for the termination. Such notice must be provided no fewer than five (5) business days prior to the CITY'S proposed date of termination. The CITY MANAGER will also be afforded an opportunity to provide a response, either orally or in writing. If the CITY MANAGER is terminated For Cause, the CITY has no obligation to pay any severance.

Without Cause Termination. In the event the City Council terminates the CITY MANAGER Without Cause at any time prior to the expiration of any term, the CITY agrees:

- A. To pay the CITY MANAGER a lump sum cash severance payment equal to six (6) months of the CITY MANAGER'S monthly base salary, the calculation of which shall not include any added benefits or allowances. The severance payment shall be calculated using the monthly salary in effect at the time of the termination, minus any state or federal withholdings.
- B. To pay to the CITY MANAGER COBRA continuation coverage for three (3) months or, at the CITY'S sole discretion, a lump sum amount equal to three (3) months of the CITY MANAGER'S monthly health care premium payments. The intent of such payments is to maintain the CITY MANAGER'S existing health care coverage for the CITY MANAGER and any eligible dependents.

If CITY terminates CITY MANAGER Without Cause, it shall offer her the above severance payment in a Severance and Waiver of Claims Agreement. CITY MANAGER and CITY shall agree upon and enter into a Severance and Waiver of Claims Agreement and shall negotiate the waiver terms, conditions, and timelines prior to accepting any severance payment.

If the CITY MANAGER voluntarily resigns her position with the CITY, the CITY MANAGER will give the CITY at least (30) days written notice. Termination by CITY MANAGER under this provision will not entitle CITY MANAGER to severance. If CITY MANAGER fails to give such written advance notice, the parties agree that the CITY, at its sole discretion, may withhold all or a portion of CITY MANAGER'S accrued but unused vacation benefits.

SECTION FOUR - SALARY AND BENEFITS

- A. Salary. The CITY agrees to pay the CITY MANAGER for services rendered an annual salary of \$180,969.02, effective July 1, 2025, which shall be payable in the same installments and manner as other employees are paid. The CITY MANAGER will receive an annual cost of living increase at the same percentage increase, if any, that is granted to other management employees of the CITY. Notwithstanding anything to the contrary herein, including SECTION SEVEN, the CITY MANAGER shall receive a 3% merit increase upon receiving a "meets" or "exceeds" average Council ranking during the annual performance review process in 2026 and 2027. Prior to the CITY MANAGER'S annual performance evaluation in 2028, the City Council shall budget for and the CITY shall undertake a wage study to determine if additional wage increases are warranted and an amendment to this section of the Agreement shall be negotiated at that time. The CITY MANAGER position will not be included on the CITY'S salary schedule but will be set by the City Council.
- B. Insurance - Health and Life. The CITY agrees to provide the same health and life insurance coverage as provided to other non-union employees of the CITY; however, the CITY'S insurance carrier requires a 60-day waiting period after employment begins for health insurance coverage. At the end of the 60-day waiting period, the CITY MANAGER will then be covered by the CITY'S health insurance carrier.
- C. Vacation, Sick, Holiday, and Administrative Leave. The CITY MANAGER will accrue vacation, holiday, and sick leave at the same accrual rate as other non-union, management employees. Accumulation and payout of vacation and sick leave will be determined by the City's general policies applicable to other management employees. In addition, the CITY MANAGER may take up to fifty-six (56) hours of paid Administrative Leave each fiscal year. Administrative Leave does not accrue from one fiscal year to the next and the CITY will not make any payments to CITY MANAGER for any unused Administrative Leave hours.
- D. Retirement. The CITY agrees to contribute into the CITY MANAGER'S City of Stayton Defined Benefits Retirement Plan account an amount at least equal to the percentage of salary contributed to the CITY'S other management employees. The CITY will pay both the employer's and the employee's contribution for the CITY MANAGER.

- E. Dues and Subscriptions. The CITY agrees to budget and to pay for the professional dues and subscriptions in national, state, and local organizations for CITY MANAGER'S professional growth and advancement, up to \$1,500 per year.
- F. Professional Development. In addition to dues and subscriptions, the CITY agrees to budget and pay for travel and expenses of the CITY MANAGER for meetings, courses, and conferences adequate to continue the professional development of the CITY MANAGER, subject to the City Council's preapproval of any out of state travel.
- G. General Expense. The CITY recognizes that the CITY MANAGER will incur certain expenses due to official job-related functions and agrees to reimburse or pay for such actual expenses, pursuant to the CITY'S expense reimbursement policies and practices.
- H. Mileage. The CITY agrees to reimburse the City Manager for the use of her personal vehicle for official travel pursuant to the City's expense reimbursement policies and practices.
- I. Reimbursement of Relocation Costs. For purposes of relocating to meet CITY MANAGER'S residency requirement, CITY will reimburse CITY MANAGER an amount not greater than \$3,500 for the costs associated with moving to a new residence. This benefit will only be paid on a reimbursement basis. To obtain reimbursement, CITY MANAGER must first provide receipts for moving expenses to CITY. This relocation benefit expires December 15, 2022.
- J. Cell Phone. To benefit CITY'S interests in maintaining communication with CITY MANAGER while away from the office, CITY will issue CITY MANAGER a CITY-owned cell phone for her business use in order to maintain communications on behalf of the CITY. The cell phone will remain CITY property and be used by CITY MANAGER for CITY business.
- K. Bonding. The CITY MANAGER will give a bond in the amount as is recommended by the CITY'S Auditor, or CITY will carry fidelity insurance. The premiums shall be paid by the CITY.
- L. No Reduction of Benefits. The CITY will not reduce the salary or other financial benefits of the CITY MANAGER unless a similar reduction is applied to all non-union employees of the CITY.
- M. Personnel Rules. The parties agree that the CITY MANAGER will be bound by the CITY personnel manual, rules, and procedures except as follows:
 - a. If the CITY'S personnel manual, rules, or procedures conflict with the express terms of the Agreement, this Agreement shall control; and
 - b. The CITY MANAGER shall not be subject to any CITY progressive discipline process or disciplinary due process provided in the CITY'S personnel manual, rules or procedures. If there is a question regarding a CITY MANAGER performance issue, the issue will be discussed between the City Council (or its designee) and the CITY MANAGER and will be handled and/or resolved pursuant to the terms of this Agreement.

- N. Work Schedule. The parties understand that the CITY MANAGER is often required to work over 40 hours per week and during evening or early morning hours. Overtime will not be paid. The Parties anticipate that the CITY MANAGER'S work schedule will be a flexible full-time schedule, exempt from the FLSA.
- O. Outside Duties. The CITY MANAGER shall devote her entire time, attention, and energies to the CITY'S business. The employment provided for by this Agreement will be the CITY MANAGER'S sole employment.

SECTION FIVE - ANNUAL PERFORMANCE EVALUATION

Evaluation. The Council or Council's representatives will meet with the CITY MANAGER annually in August for the purpose of evaluating the CITY MANAGER'S performance. The month and date of the annual CITY MANAGER evaluation may be changed from time to time by the City Council after consultation with the CITY MANAGER.

Communication. In the event the City Council determines the performance of the CITY MANAGER is unsatisfactory or needs significant improvement in any area, the CITY will describe these concerns in writing and in reasonable detail with specific objective examples. The CITY MANAGER will generally be given at least three days to respond to these concerns and the CITY, at its discretion, may decide to allow the CITY MANAGER additional time to take corrective action. Nothing in this paragraph alters or negates the "at will" status of the CITY MANAGER or the termination provisions set forth in SECTION THREE of this Agreement or requires the CITY to provide the CITY MANAGER with a performance review or evaluation prior to terminating the CITY MANAGER'S employment.

SECTION SIX - PROFESSIONAL LIABILITY/INDEMNIFICATION

In accordance with and subject to the tort claim limitations of the Oregon Tort Claims Act and the Oregon State Constitution, the CITY agrees to defend, hold harmless and indemnify the CITY MANAGER from and against any and all demands, claims, suits, actions and legal proceedings brought against the CITY MANAGER in her official capacity as an agent and employee of the CITY and arising out of any alleged act or omissions in her performance of the CITY MANAGER'S duties, as long as such acts or omissions occurred while she was acting within the CITY MANAGER'S proper scope of authority.

SECTION SEVEN - GENERAL PROVISIONS

This Agreement may only be amended by mutual, signed written consent of the parties.

Entire Agreement: Severability. The text and attachments herein will constitute the entire agreement between the parties and supersedes any and all prior discussions or agreements between the parties, if any, which are not fully expressed herein. No oral understandings are binding upon the parties. No single person has the authority to amend this Agreement. 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 a portion thereof will be deemed severable and will not be affected and will remain in full force and effect.

Representation. At all times, the CITY has been represented by attorneys of the Local Government Law Group PC. The CITY MANAGER acknowledges that she has had, at all times, the right and opportunity to consult with independent counsel of her choosing in regard to this Employment Agreement.

IN WITNESS WHEREOF, the City of Stayton, Marion County, Oregon has caused this Agreement to be signed and executed on its behalf by its Mayor and the CITY MANAGER has signed and executed the Agreement.



Julia Hajduk, City Manager 11-4-25
Date



Brian Quigley, Mayor 11-3-25
Date