Assessor's Parcel Number: N/A Date: OCTOBER 1, 2014 **Recording Requested By:** Name: <u>DEBBIE BEAM</u>, COUNTY MANAGER'S OFC Address: City/State/Zip: Real Property Transfer Tax: \$ N/A

EMPLOYMENT CONTRACT #2014.195

(Title of Document)

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KAREN ELLISON, RECORDER

EMPLOYMENT CONTRACT

BETWEEN

DOUGLAS COUNTY, NEVADA

AND

JAMES R. NICHOLS

2014 OCT -1 PM 3: 19

WHEREAS, Douglas County (hereinafter "COUNTY") is a political subdivision of the State of Nevada and may, pursuant to NRS 244.125, appoint a County Manager and fix the compensation for a County Manager; and

WHEREAS, James R. Nichols (hereinafter "EMPLOYEE") has the education, training, experience, ethics and desire to serve as the Douglas County Manager; and

WHEREAS, it is the desire of COUNTY to retain the services of EMPLOYEE as County Manager and to provide proper and legal inducement for him to remain in such employment and to provide, if necessary, a just means for terminating EMPLOYEE'S services in accord with NRS 244.125(2).

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

1. **DUTIES.**

COUNTY hereby agrees to employ EMPLOYEE as the County Manager to perform the functions and duties of the County Manager of Douglas County as set forth by law, Douglas County policy, as specified in the County Manager Job Description, and to perform all other legally permissible and proper duties and functions as COUNTY shall assign.

2. TERM.

The term of this Contract is for three years, effective September 29, 2014, through March 31, 2018, inclusive. This Contract will automatically be extended for successive two year periods provided that neither party provides notice to the other party that they do not wish to extend this Contract. Said notice of intent to let this Employment Contract expire, shall be given not less than 90 days prior to the date of expiration of this Contract. The decision by COUNTY not to extend Contract shall require an affirmative vote of a majority of the members of the entire Douglas County Board of Commissioners (the "Board") at a regular or special meeting.

CONDITIONS OF EMPLOYMENT. 3.

EMPLOYEE agrees to remain in the exclusive employ of COUNTY during the term of this Contract and will not accept any other employment by any other person or entity until the Contract is terminated.

- **B.** Unless waived by the Board for hardship or other extenuating circumstances, EMPLOYEE shall reside within the jurisdictional boundaries of Douglas County.
- C. The term "employed" shall not be construed to include occasional teaching, writing, or consulting performed on EMPLOYEE's time off. EMPLOYEE shall notify the Chairman of the Board to request approval at least five working days prior to performing any teaching, consulting, or writing assignment for compensation. Approval by the Chairman shall not be unreasonably refused. If the Chairman refuses the request, EMPLOYEE may have his request heard at the next regular or special meeting of the Board.
- **D.** Nothing in this Contract shall prevent, limit or otherwise interfere with the right of County to terminate the services of EMPLOYEE at any time, subject only to the provisions set forth in Section 4(A) of this Contract.
- **E.** Nothing in this Contract shall prevent, limit or otherwise interfere with the right of the EMPLOYEE to resign at any time from his position with COUNTY, subject only to the provisions set forth in Section 4(B) of this Contract.
- **F.** COUNTY may suspend the EMPLOYEE with full pay and benefits at any time during the term of this Contract pending any investigation or other disciplinary proceeding.

4. TERMINATION AND SEVERANCE PAY.

- A. At any time during the term of this Contract, COUNTY may terminate the Contract by providing at least sixty (60) days advance written notice to the EMPLOYEE. Notice shall be in accord with Section 5 below.
- **B**. At any time during the term of this Contract, EMPLOYEE may terminate this Contract by providing at least sixty (60) days advance written notice to the COUNTY. Notice shall be in accord with Section 5 below. For the purposes of this paragraph, the EMPLOYEE's use of sick, annual, or administrative leave shall not be counted in the computation of the sixty-day notice requirement.
- C. Unless terminated for cause as described in Paragraph E below, if EMPLOYEE is terminated by COUNTY, after COUNTY has given notice in accord with Paragraph A above, and during such time EMPLOYEE is willing and able to perform his duties under this Contract, COUNTY agrees to pay EMPLOYEE a lump sum cash severance payment equal to six (6) months aggregate salary of EMPLOYEE's then current annual base salary ("Severance Pay").
- D. Unless terminated for cause as described in Paragraph E below, EMPLOYEE shall also be compensated for any accrued sick leave and annual leave as part of any severance payment. EMPLOYEE and any of his legal dependents will also remain in the group health plan of Douglas County and will continue to receive life insurance benefits, if any, provided to EMPLOYEE prior to the last day EMPLOYEE provides services to Douglas County pursuant to the terms of this Contract. EMPLOYEE and any of his legal dependents will be entitled to exercise his rights under the Consolidated Omnibus Budget Reconciliation Act ("COBRA")

which shall commence on the last day EMPLOYEE provides services to Douglas County pursuant to the terms of this Contract.

- E. For purposes of this Contract, termination for cause is defined as conduct that constitutes a crime, except for misdemeanor traffic citations, or conduct that constitutes a knowing and willful violation of a law governing the conduct of public officers or employees, or the violation of Douglas County policies or the breach of this contract by EMPLOYEE. In such event, COUNTY shall give written notice of its desire to terminate EMPLOYEE for cause and the effective date of the termination shall be fifteen (15) days after notice is given in accordance with Section 5 below. If EMPLOYEE is terminated for cause, EMPLOYEE shall not be entitled to receive Severance Pay.
- F. In the event EMPLOYEE voluntarily resigns his position with COUNTY before the expiration date of the then current term of his employment, then EMPLOYEE shall give COUNTY notice in accordance with Paragraph "A" above. The parties may subsequently agree to a different notice period in writing. EMPLOYEE shall receive his current salary during the notice period but COUNTY will not be obligated to pay Severance Pay to EMPLOYEE.

5. NOTICES.

When required by this Contract, notice shall be in writing and shall be by personal service to the Douglas County Clerk for the COUNTY or to the EMPLOYEE by personal service.

6. DISABILITY.

If EMPLOYEE is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health, as determined by a qualified health care professional, for a period of four successive weeks, COUNTY shall have the option to terminate this Contract, subject to the severance pay requirements of Section 4(C) and the COUNTY's compliance with all state and federal laws. EMPLOYEE shall also be compensated for any accrued sick leave, vacation, holidays, compensatory time and other accrued benefits in accord with what other exempt employees would receive.

7. COMPENSATION AND BENEFITS.

- A. COUNTY agrees to pay EMPLOYEE an annual base salary of One Hundred and Seventy Two Dollars (\$172,000) for his services rendered to the COUNTY, together with any salary adjustments as provided for in Paragraph B below. The annual base salary is payable in installments in the same manner as other exempt employees of COUNTY. COUNTY may make annual adjustments to EMPLOYEE's base salary, as mutually agreed upon with EMPLOYEE, without amending this Contract.
- **B.** The annual base salary of the EMPLOYEE shall be adjusted consistent with the salary adjustments provided to all other exempt management employees of COUNTY.
- C. In addition to the base salary set forth above, COUNTY may pay EMPLOYEE merit pay consistent with the amounts allowed for other exempt, unrepresented management

employees. Any merit pay shall be based upon EMPLOYEE's specific job performance in meeting mutually agreed upon priorities, goals, and expectations pursuant to Section 8 below.

- **D.** COUNTY agrees to pay all contributions to the Nevada Public Employees Retirement System (PERS) on behalf of EMPLOYEE during his employment with COUNTY consistent with the COUNTY's policy for other exempt, unrepresented management positions in the COUNTY, except as otherwise provided herein.
- E. COUNTY shall provide EMPLOYEE all necessary equipment, i.e. computer, software, cell phone, etc., necessary to perform the essential functions of the position including an iPhone or other smart phone to conduct COUNTY business.
- F. COUNTY shall provide EMPLOYEE health, vision, dental and life insurance consistent with other exempt, unrepresented management positions. For the purposes of this contract only, COUNTY agrees to pay for an annual wellness examination to be conducted by a COUNTY contracted provider or EMPLOYEE's personal physician.
- G. For the purposes of this Contract only, EMPLOYEE shall be entitled to accrue and receive all leave benefits provided to other exempt and unrepresented management employees in the COUNTY with ten years of service credit and shall accrue annual leave as an employee with ten years of service EMPLOYEE shall be credited with two (2) weeks of annual leave and one (1) week of sick leave at the beginning of this Contract. EMPLOYEE shall further be credited with five days per year of administrative leave in accordance with COUNTY policy.
- **H**. COUNTY shall provide a monthly car allowance of \$700.00. This allowance is in lieu of any mileage reimbursement benefit or a vehicle provided by the COUNTY for EMPLOYEE's use. Any car travel by EMPLOYEE in excess of 200 miles in a single roundtrip for COUNTY business shall be eligible for mileage reimbursement for any portion of the trip above 200 miles.
- I. EMPLOYEE shall receive reimbursement for moving expenses from his current location to Douglas County, Nevada. Reimbursement shall not exceed \$10,000 and may include reasonable and necessary supplies, materials, and transportation costs, temporary lodging and freight and delivery cost. The cost of meals is not eligible for reimbursement.
- J. COUNTY shall provide to EMPLOYEE travel accommodations for one house hunting trip prior to EMPLOYEE's start of employment.

8. PERFORMANCE EVALUATION.

A. The COUNTY, with input from the EMPLOYEE, agrees to adopt priorities, goals, and expectations for EMPLOYEE in each year of this Contract in accordance with Section 10 of this Contract. The COUNTY's adoption of priorities, goals, and expectations for the EMPLOYEE shall coincide with EMPLOYEE's annual evaluation as provided in Paragraph B below. The priorities, goals, and expectations that are established may be added to or deleted as COUNTY may determine to be appropriate, in consultation with EMPLOYEE.

B. Each year prior to or as near as possible to the September 29th anniversary date of EMPLOYEE's appointment as County Manager, COUNTY will review and evaluate EMPLOYEE's performance in accord with the provisions of Chapter 241 of the Nevada Revised Statutes. EMPLOYEE must contact the Chairperson of the Board at least thirty (30) days prior to his September 29th anniversary date in order to schedule EMPLOYEE's annual evaluation. The EMPLOYEE's evaluation shall be based on the priorities, goals, and expectations previously developed as provided in Paragraph A above.

9. PROFESSIONAL DEVELOPMENT.

- A. COUNTY agrees to budget and pay for all necessary travel and subsistence expenses incurred by EMPLOYEE to travel to meetings and conferences that will assist EMPLOYEE to continue his professional development and to adequately pursue other required functions as the County Manager including, but not limited to, the annual conference of the International City/County Management Association, the annual conference of National Association of Counties, and such other national, regional, state and local government groups and committees for which EMPLOYEE serves as a member, not to exceed the amount budgeted each fiscal year in the appropriate County Manager accounts.
- **B.** COUNTY agrees to budget and pay for the travel and subsistence expense of EMPLOYEE for short courses, institutes and seminars that are necessary for his professional development and for the good of COUNTY. The Chairman of the Board shall approve any course or seminar that is longer than five working days and/or whose total costs exceed Two Thousand Dollars (\$2,000).
- C. COUNTY agrees to budget and pay for the professional dues and subscriptions of EMPLOYEE necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement and for the benefit of COUNTY.

10. STRATEGIC PLANNING.

EMPLOYEE agrees that, at least annually, he will plan, schedule and participate in the following:

- (a) A team building workshop for the Board;
- (b) A goals setting session to review and develop strategic objectives for Douglas County; and
- (c) A session to develop specific criteria for priorities and expectations to serve as the basis for EMPLOYEE's annual evaluation as set forth in Section 8 of this Contract. This session must be held within two (2) months of the date of EMPLOYEE's annual evaluation.

11. GENERAL PROVISIONS.

A. This Employment Contract shall be construed and interpreted according to the laws of the State of Nevada. Any dispute regarding this Contract shall be resolved by binding arbitration, with an arbiter selected from a list maintained by the Nevada Supreme Court of senior district court judges, with both parties to pay their own attorney's fees and to share equally in the cost of the arbitration. There shall be no presumption for or against the drafter in interpreting or enforcing this Contract. COUNTY shall select the senior district court judge if

both parties cannot mutually agree to select one senior district court judge.

- **B**. This Employment Contract constitutes the entire agreement between the parties and may only be modified by a written amendment signed by both parties. Any changes in EMPLOYEE's base salary shall not require a written amendment.
- C. If any term or provision, or any portion thereof, contained in this Contract is held unconstitutional, invalid or unenforceable, the remainder of this Contract, or portion thereof, shall be deemed severable, shall not be affected by such invalidity, and shall remain in full force and effect.

IN WITNESS THEREOF, the Douglas County Board of Commissioners has caused this Employment Contract for James R. Nichols to be signed and executed this 4th day of September, 2014.

EMPLOYEE:

James R. Nichols

COUNTY:

Doug Johnson, Chairman

Douglas County Board of Commissioners

ATTEST:

By:

CLERK TØ THE BOARD

Douglas County

State of Nevada

CERTIFIED COPY

I certify that the document to which this certificate is attached is a full and correct copy of the original record on file in the Clark-Treasurer's Office on this

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