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KAREN ELLISON, RECORDER

Assessor's Parcel Number: N/A

Date: MARCH 13, 2019

Recording Requested By:

Name: COUNTY MANAGER'S OFFICE

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Real Property Transfer Tax: \$ N/A

EMPLOYEE CONTRACT #2019.032

(Title of Document)

FILED

2019.032

2019 MAR 13 PM 12: 29

EMPLOYMENT CONTRACT  
BETWEEN  
DOUGLAS COUNTY, NEVADA  
AND  
PATRICK CATES

DOUGLAS COUNTY  
CLERK  
*[Signature]*

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 the County Manager, and

WHEREAS, Patrick Cates (hereinafter "EMPLOYEE") represents that he has the education, training, experience, ethics and desire to act as the County Manager for Douglas County; and

WHEREAS, it is the desire of COUNTY to retain the services of EMPLOYEE as County Manager, 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 accordance 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 and policy and as specified in the Job Description for the Douglas County Manager, and to perform other legally permissible and proper duties and functions as COUNTY shall assign

2. TERM.

This Contract will become effective March 7, 2019, and will expire on June 30, 2024 This Contract will automatically be extended for successive one-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

3. CONDITIONS OF EMPLOYMENT.

A. 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, including self-employed activities for compensation

**B.** 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 of such occasional work 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 the request heard at the next regular or special meeting of the Board.

**C.** 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 of this Contract.

**D.** 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.

**E.** 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.

**F.** Within one year of EMPLOYEE’s execution of this Contract, EMPLOYEE promises and agrees to live and maintain his primary and legal residence, as defined by NRS 10 155, within Douglas County until the Contract is terminated.

**G.** EMPLOYEE’s physical attendance at meetings of the Board of County Commissioners and EMPLOYEE’s availability to the County Commissioners and the department heads that report directly to EMPLOYEE are critical components of your duties as the County Manager. Therefore, EMPLOYEE must attend all meetings of the Board and personnel from the County Manager’s Office must be available from 8.00 a.m. to 5.00 p.m. during regular work days unless EMPLOYEE is absent due to approved annual or sick leave, or qualifying Family and Medical Leave Act (FMLA). COUNTY has the right to terminate this Contract, subject to the severance pay requirements of Section 4(A), if the EMPLOYEE fails to meet this condition of employment.

#### **4. TERMINATION AND SEVERANCE PAY.**

**A.** At any time during the term of this Contract, COUNTY may terminate the Contract by providing at least thirty (30) days’ advance written notice to the EMPLOYEE. Notice shall be in accordance with the provisions of 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 accordance with Section 5 below.

**C.** Unless terminated for cause as described in Section F 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 three (3) months’ aggregate salary of EMPLOYEE’s then current annual base salary (“Severance Pay”).

**D.** Severance Pay shall be in addition to any other payment due to EMPLOYEE for unused annual leave or other benefits that may be payable to other exempt and unrepresented management employees of Douglas County with service credit equal to that of EMPLOYEE. 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 first day insurance eligibility with Douglas County ceases.

**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 or COUNTY policy governing the conduct of public officers or employees, including Douglas County Code 2 02. 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 B above. The parties may subsequently agree to a different notice period. EMPLOYEE shall receive his current salary during the notice period and COUNTY is not obligated to pay Severance Pay to EMPLOYEE.

**5. NOTICES.**

When required by this Contract, any 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. KEY EMPLOYEE.**

EMPLOYEE understands and agrees that EMPLOYEE qualifies as a key employee as defined under FLMA, including 29 C.F.R. Part 825, and that reinstatement to the position of County Manager following or during FMLA leave may be denied upon the COUNTY’s good faith determination, based on the facts and circumstances then available, that substantial and grievous economic injury to the COUNTY’s operations will result to the COUNTY due to the restoration of your position as the COUNTY MANAGER.

**7. COMPENSATION AND BENEFITS.**

**A.** COUNTY agrees to pay EMPLOYEE an annual base salary of Two Hundred and One Thousand Five Hundred and Ten Dollars and Forty Cents (\$201,510.40) for his services rendered to the COUNTY together with any salary adjustments as provided for herein. The annual base salary is payable in installments in the same manner as other exempt employees of COUNTY. COUNTY may make an annual adjustment 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 Douglas County.

including the award of any Cost of Living Adjustment awarded to other exempt management employees.

C. In addition to the base salary set forth above, COUNTY may award EMPLOYEE merit pay increases consistent with the amounts allowed other exempt management employees. Any merit pay shall be based upon EMPLOYEE's specific job performance in meeting mutually agreed upon priorities, goals, and expectations for the previous year pursuant to Section 8 below.

D. COUNTY agrees to pay contributions to the Nevada Public Employees Retirement System (PERS) on behalf of EMPLOYEE during his employment with COUNTY consistent with the contributions made on behalf of other exempt management positions in the COUNTY and as permitted by Nevada law.

E. COUNTY shall provide EMPLOYEE health, vision, dental and life insurance consistent with what other exempt management positions qualify to receive.

F. For the purposes of this Contract only, EMPLOYEE shall be entitled to accrue annual leave and sick leave at the same accrual rate provided to other exempt management employees in the COUNTY with five years of service credit. EMPLOYEE shall provide advance notice of any intended use of annual leave to the Board Chairperson.

G. COUNTY shall provide a vehicle for use by the EMPLOYEE for travel related to his job duties and cover any expenses necessary for its operation. The vehicle shall be used in accordance with all COUNTY policies.

H. 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. EMPLOYEE agrees to comply with all COUNTY policies related to the use of such equipment.

## **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 the COUNTY's goals and priorities established in the COUNTY's strategic Plan and Section 10 of this Contract. The COUNTY's adoption of priorities, goals, and expectations for the EMPLOYEE will 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 anniversary date of EMPLOYEE's appointment as the County Manager, COUNTY will review and evaluate EMPLOYEE's performance in accordance with the provisions of Chapter 241 of the Nevada Revised Statutes. EMPLOYEE is required to contact the Chair of the Board at least thirty (30) days prior to the anniversary date of his hire as County Manager in order to schedule EMPLOYEE's annual evaluation. The EMPLOYEE's evaluation shall be based on the priorities, goals, and



expectations developed as provided in Paragraph A above. The evaluation process will be based upon the discretion of the Board of County Commissioners.

**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 National Association of Counties, and such other national, regional, state and local government groups and committees that EMPLOYEE serves as a member, not to exceed the amount budgeted by the Board each fiscal year in the appropriate County Manager accounts

**B.** COUNTY agrees to budget and pay for the travel and subsistence expenses of EMPLOYEE for short courses, institutes and seminars that are necessary for his professional development and for the good of COUNTY. EMPLOYEE must obtain prior written approval from the Chairman of the Board for any course or seminar that is longer than five working days 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 good of COUNTY

**10. STRATEGIC PLANNING.**

EMPLOYEE agrees that, at least annually, he will 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 workshop to develop specific criteria for the 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 one

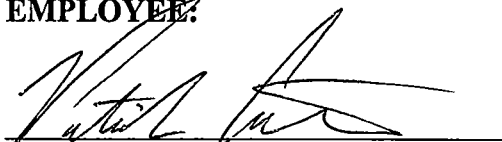
**B.** This Contract constitutes the entire agreement between the parties and may only be modified by a written amendment signed by both parties. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, will constitute one agreement. Any counterpart may be delivered by any party by

transmission of the signature page to the other party and shall be complete upon the completion of such transmission; however, manually signed copies of the signature page shall nonetheless be delivered promptly after any such facsimile delivery Any changes in EMPLOYEE's base salary as provided herein shall not require a written amendment to this Contract


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 and shall remain in full force and effect

*IN WITNESS THEREOF*, the Douglas County Board of Commissioners has caused this Employment Contract for Patrick Cates to be signed and executed this 7<sup>th</sup> day of March, 2019

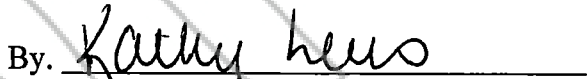
**EMPLOYEE:**

  
Patrick Cates

**DOUGLAS COUNTY:**

  
William B. Penzel, Chairman  
Douglas County Board of Commissioners

ATTEST.

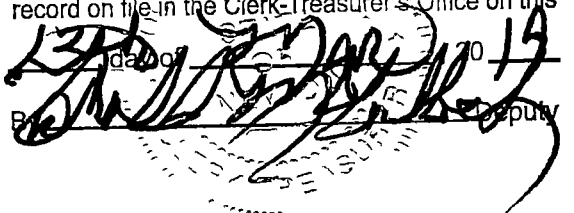
By.   
Kathy Lewis, Douglas County Clerk

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 Clerk-Treasurer's Office on this

  
\_\_\_\_\_  
Deputy