

RESOLUTION NO. 884

**A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, APPROVING
A CITY MANAGER EMPLOYMENT AGREEMENT**

WHEREAS, on or about December 13, 2010, the City Council executed with Stephen Sugg a City Manager Employment Agreement approving his employment as City Manager ; and

WHEREAS, Mr. Sugg has fulfilled the duties of City Manager since that time and

WHEREAS, both the City Council and Mr. Sugg have jointly recognized that changes to the Employment Agreement are appropriate; and

WHEREAS, the City desires to maintain the employment of Mr. Sugg as City Manager;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals are hereby incorporated herein as if set forth in full.

Section 2. Approval of Form of Documents. The City Council authorizes the Mayor, to execute in substantially the form attached hereto as Exhibit A, the City Manager Employment Agreement.

Section 3. Completion of Transaction. The Mayor is authorized to take and execute any additional measures or documents that may be necessary to complete this transaction, which are consistent with the approved form of documents attached to this Resolution, and this Resolution.

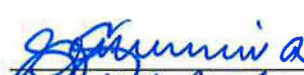
Section 4. Effective Date. This Resolution shall be effective immediately upon adoption by the City Council.

ADOPTED BY THE CITY COUNCIL ON DECEMBER 17, 2018.



Kent Keel, Mayor

ATTEST:



Emelita J. Genetia, City Clerk

APPROVED AS TO FORM:



Matthew S. Kaser, City Attorney

**CITY OF UNIVERSITY PLACE WASHINGTON
CITY MANAGER EMPLOYMENT AGREEMENT**

This Agreement is between the City of University Place, WA (City) and Stephen Sugg (Employee). It is mutually understood that:

- A. Stephen Sugg is currently employed as City Manager.
- B. The City Council and Stephen Sugg desire to define the terms and conditions of such employment to protect the interests of both the City and Employee.
- C. The City Council wishes to (1) induce Employee to remain in such position, (2) enhance work productivity by protecting Employee's morale and peace of mind, and (3) provide a fair method of terminating Employee's services in a professional and businesslike manner, should this be in the City's best interests.

Now therefore, it is mutually agreed that:

1. Terms and Conditions of Employment:

The Council and Employee agree that the Employee serves at-will, solely at the pleasure of the City Council, per the terms of this Agreement. Any contract modification shall be in writing, approved by the City Council and the Employee.

2. Duties:

City Council agrees to employ Stephen Sugg as City Manager of the City to perform the functions and duties specified for the position by ordinance and laws of the State of Washington and to perform other duties assigned by the City Council. The Council acknowledges the principles and laws under a Council/Manager form of government. The Council agrees to direct its concerns and requests for action to Employee. The Employee shall be permitted to attend all meetings of the Council, regular and executive. The Employee recognizes that the City Council is the policy-making body of the City and that he is subordinate to the wishes of the Council. The Employee agrees to respond promptly, respectfully, and equally to all members of the Council regarding their concerns.

3. Hours of Work:

Employee agrees to devote his full time to this position and since Employee must devote considerable time outside normal reasonable office hours, the City agrees that Employee will be allowed to take some occasional time off during work days in a manner not disruptive to City needs. Absences of a work day or longer in one-day increments shall be charged as Employee leave.

In the event Employee is absent from the area for a period of three (3) business days or longer, he shall so notify the City Council and provide his contact and an alternate point of contact for Council inquiries.

Employee shall advise / consult with the Mayor when planning to utilize his vacation time.

4. Compliance with Laws and Employment Policies:

In performing the services contemplated by this Agreement, the Employee shall faithfully observe and comply with all federal, state and local laws, ordinances and regulations applicable to the services to be rendered under this Agreement. Failure to comply or an omission in compliance shall be brought to Employee's attention with an opportunity to correct.

Except to the extent specified herein, Employee shall be subject to the employment policies of the City.

5. Compensation:

The City and Employee agree to a monthly base salary of \$15,131.00 for the term of this Agreement. The City Council agrees to maintain Employee's current benefits package and any other benefit adjustments consistent with market comparables, as subsequently agreed between the City and Employee.

6. Performance Reviews:

The City Council and Employee agree to participate in one performance review per year to discuss issues, concerns and overall performance.

7. Retirement:

City and Employee agree to the participation costs in Washington State Public Employees' Retirement System. City agrees to place an amount equal to three percent (3%) of Employee's salary into a 457 Deferred Compensation Plan selected by Employee.

8. Automobile and Travel:

Employee's duties require that he have use of an automobile. The Employee shall have a valid driver's license and shall notify the City of any change in his license status (e.g. suspension or revocation). City shall pay the Employee the IRS mileage rates for travel while on City business. The travel to and from work shall be at the Employee's expense. Employee agrees that he is responsible for liability, property damage and comprehensive auto insurance, and shall provide proof of such coverage to the City. Employee is responsible for the provision, operation, maintenance, repair and replacement of an automobile. Whenever possible, the Employee shall use a City car.

9. General Expenses:

City recognizes that certain job-related expenses are incurred by the Employee while on City business. City agrees to reimburse the Employee for such expenses as are reasonable and necessary to City business as permitted by statute, City policy and budget. The City agrees to pay for professional association dues to WCMA and ICMA, as well as the cost of the City Manager's attendance for at least one AWC, WCMA or ICMA meeting/conference annually. The City shall provide and maintain a smartphone, laptop computer and software for the Employee's use which shall remain City property.

10. Outside Employment:

The Employee warrants that he is not employed or retained by any company or person other than as a bona fide employee working solely for the City. Notwithstanding this exclusive Employment Agreement, Employee may be allowed to conduct occasional teaching or consulting with the City Council's approval if not in conflict with the City's needs or interests.

11. Indemnification:

City agrees to indemnify, insure and hold Employee harmless, including providing separate legal counsel if the City cannot represent Employee, for any and all civil legal actions brought against Employee arising from the discharge of his duties during his employment as City Manager.

12. Residency:

The Employee shall not be required to relocate his residence to within the City.

13. Term and Termination:

This written Agreement shall remain in effect until terminated pursuant to the terms set forth below. The City Council retains the right to terminate Employee at-will by Resolution of the City Council. The City Council will provide at least ninety (90) days' written notice of termination to Employee. If the Employee is terminated by the City Council when Employee is willing and able to perform the duties of the City Manager, the City will pay four (4) months' severance in equivalent salary and benefits at the City Manager pay scale upon termination, commencing upon the date of separation.

14. Employee Notice:

Employee agrees to give the City a minimum of ninety (90) days' written notice prior to a voluntary resignation from the position of City Manager to plan and allow for an orderly transition of City business.

15. General Provisions:

15.1 Entire Agreement and Modifications: This Agreement contains all the agreements of the Parties with respect to any matter covered in this Agreement and no prior agreements shall be effective for any purpose.

No provisions of this Agreement may be amended or modified except by written agreement signed by the Parties.

15.2 Full Force and Effect: Any provision of this Agreement which is declared invalid or illegal shall in no way affect or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

15.3 Successors in Interest: Subject to the foregoing subsection, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs and assigns.

15.4 Attorney's Fees: In the event either of the Parties defaults on the performance of any terms of this Agreement, or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, each party shall pay all of its own attorney's fees, costs and expenses. The venue for any dispute related to this Agreement shall be Pierce County, Washington.

15.5 Governing Law: This Agreement shall be made in and shall be governed by and interpreted in accordance with the laws of the State of Washington.

15.6 Equal Opportunity to Draft: The Parties have participated in and had an equal opportunity to participate in the drafting of this Agreement and all related Exhibits, if any,

are attached. No ambiguity shall be constructed against any party upon a claim that that Party drafted the ambiguous language.

16. Effective Date:

This Agreement is effective as of January 1, 2019 and shall remain in effect until terminated pursuant to the terms herein. This Agreement supersedes the City Manager Employment Agreement executed between the City and Employee dated January 1, 2011.

This Agreement was approved by the City Council on December ____, 2018.

IN WITNESS HEREOF, the City Council of the City of University Place has caused this Agreement to be signed and executed on its behalf by its Mayor and the undersigned Employee as its City Manager. By his signature below, the City Manager further represents and acknowledges that he: (1) has read this Agreement in its entirety; (2) has had an opportunity to review and study this Agreement; (3) has been advised that the City Attorney is counsel to the City of University Place, and regarding this Employment Agreement Between the City of University Place and Stephen P. Sugg, the City Attorney does not represent the City Manager; (4) has the right to consult his own independent counsel; and (5) he [has] [has not] done so.

DATED: _____

Kent Keel, Mayor

DATED: _____

Stephen P. Sugg, Employee / City Manager

Attest:

Emelita Genetia, City Clerk

Approved as to Form:

Matthew S. Kaser, City Attorney