

# CLARK COUNTY STAFF REPORT

**DEPARTMENT:** Human Resources

**DATE:** June 3, 2016

**REQUESTED ACTION:** Approval of the Employment Agreement by and between Clark County, Washington and Mr. Mark McCauley, to employ his services as County Manager.

Consent     Hearing     County Manager

**BACKGROUND**

Earlier this year, the Council engaged a neutral third party to conduct a 360 evaluation of the Acting County Manager Mark McCauley's performance. The results of this evaluation were shared and discussed with the full Council on May 25, 2016. The Council concluded that Mr. McCauley's performance met or exceeded acceptable performance in all of the areas assessed.

The Employment Agreement presented with this staff report supports the County's Home Rule Charter which seeks to establish a County Manager. The terms of this agreement grant executive powers to Mark McCauley as the County Manager effective July 1, 2016.

**COUNCIL POLICY IMPLICATIONS**

There are no Council policy implications.

**ADMINISTRATIVE POLICY IMPLICATIONS**

The actions proposed in this staff report are in keeping with current County policy.

**COMMUNITY OUTREACH**

Various stakeholders in the community were engaged in the recent evaluation of the Acting County Manager. There will be no additional community outreach necessary for this request.

**BUDGET IMPLICATIONS**

YES	NO	
X		Action falls within existing budget capacity.
	X	Action falls within existing budget capacity but requires a change of purpose within existing appropriation
	X	Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.

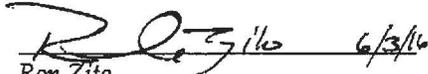
**BUDGET DETAILS**

Local Fund Dollar Amount	
Grant Fund Dollar Amount	
Account	
Company Name	

**DISTRIBUTION:**

Board staff will post all staff reports to The Grid. <http://www.clark.wa.gov/thegrid/>

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Ron Zito,  
Human Resources Manager

  
APPROVED: \_\_\_\_\_  
CLARK COUNTY, WASHINGTON  
BOARD OF COUNTY COUNCILORS  
DATE: June 7, 2016  
SR# SR 115-16

APPROVED: \_\_\_\_\_  
Mark McCauley, Acting County Manager

DATE: \_\_\_\_\_

## BUDGET IMPACT ATTACHMENT

### Part I: Narrative Explanation

I. A – Explanation of what the request does that has fiscal impact and the assumptions for developing revenue and costing information

TBD

### Part II: Estimated Revenues

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
<b>Total</b>						

II. A – Describe the type of revenue (grant, fees, etc.)

### Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	Current Biennium		Next Biennium		Second Biennium	
		GF	Total	GF	Total	GF	Total
<b>Total</b>							

III. B – Expenditure by object category

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables						
Capital Outlays						
Inter-fund Transfers						
Debt Service						
<b>Total</b>						

## EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this 7<sup>th</sup> day of June, 2016 by and between CLARK COUNTY, WASHINGTON, by and through its BOARD OF COUNTY COUNCILORS, hereinafter called, "Employer," and MARK McCAULEY, hereinafter called "Employee."

### WITNESSETH:

WHEREAS, Clark County Code Chapter 2.15 establishes the position of "County Administrator"; and

WHEREAS, effective January 1<sup>st</sup> 2015, the Home Rule Charter of Clark County, hereinafter "Charter" reclassifies this position from County Administrator to County Manager; and

WHEREAS, the Charter grants to the County Manager all executive powers of Clark County which are not expressly vested in other elected officers by state law or the Charter; and

WHEREAS, Employer desires to employ the services of Employee as "County Manager"; and

WHEREAS, it is the desire of both parties to establish and agree to certain common expectations regarding compensation, benefits, job security and the terms and conditions of employment.

NOW, THEREFORE:

In consideration of the mutual covenants herein contained, the parties agree as follows:

#### **I. DUTIES.**

A. Employer hereby agrees to employ Employee and Employee agrees to accept the functions and duties of the position of County Manager as established throughout the Charter but specifically in Article 3, The Executive Branch and as provided in Chapter 2.15, Clark County Code, or any amendments thereto.

#### **II. SALARY AND PERFORMANCE EVALUATION.**

A. The salary, effective July 1, 2016, shall be \$169,460.00 per year, payable in such manner as compensation to other executive management employees of the Employer are paid. The Employee's salary shall be adjusted as provided herein and is not subject to salary adjustments granted to other management or bargaining unit employees.

B. The Council shall review the performance of the Employee on or before June 1<sup>st</sup> of each year, beginning in 2017. During these reviews, the Employer and Employee shall define such goals and performance objectives which they determine necessary to the proper operation of the County and the mechanism to be used to measure the accomplishment of the goals and objectives.

The Employer shall review and evaluate the performance in relation to the goals and objectives established in the prior review. The Employer shall provide the Employee with a summary written statement of the evaluation and provide an adequate opportunity for the Employee to discuss his evaluation with the Employer.

C. The Employee may be considered for salary adjustments as authorized by the County Council. Adjustments may be considered based on market factors, merit and/or the Employee's job performance.

D. Employer shall not at any time during the term of this Agreement reduce the salary, compensation, or other financial benefits of Employee, except to the degree of such a reduction across-the-board for all executive management (M1) employees of the Employer.

### **III. BENEFITS.**

Employee shall receive all employment benefits, including normal payoffs for accrued but unused leave, provided by the County to its executive management (M1) employees. Such standard offerings are subject to amendment, replacement or elimination by the County. Vacation hours will accrue at the maximum rate of vacation or PTO hours per month, at the Employee's choice, otherwise consistent with Human Resource policies.

### **IV. RETIREMENT.**

In recognition that the Employee is an active member of the Washington Public Employees Retirement System (PERS 2), the employer shall provide the employer contribution as established by Washington Department of Retirement Services. The Employee shall provide the employee contribution as established by Washington Department of Retirement Services.

### **V. AUTOMOBILE ALLOWANCE.**

In recognition of the travel requirements of his position, the Employee shall be paid a monthly car allowance at the rate of \$400/month.

### **VI. MEMBERSHIPS, SUBSCRIPTIONS, AND TRAVEL / BUSINESS EXPENSES.**

Employer agrees to budget and to pay for reasonable professional memberships, professional publications and travel for appropriate business purposes. Employee shall be eligible for reimbursement of other expenses incurred within the course and scope of employment according to the policies, practices, and limits of the Employer.

**VII. OUTSIDE ACTIVITIES.**

Employee shall refrain from outside pursuits that present a conflict of interest or time or which diminish his effectiveness or efficiency in the primary employment or could be perceived as such. Any such activity which could arguably give rise to such a concern shall be disclosed to the Council, and the Council reserves the right to disapprove the activity.

**VIII. INDEMNIFICATION.**

Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim, or demand, or other legal action in accordance with the provisions of Clark County Code 2.97.

**IX. TERM.**

A. This Agreement shall become effective July 1, 2016 and shall be in effect through December 31, 2017.

B. The parties may mutually agree to extend this Agreement for one (1) additional year. Either party shall give notice no later than June 30, 2017 to the other party that the contract term will not be extended.

C. Employee agrees to remain in the exclusive employ of Employer through the term of this Agreement.

**X. TERMINATION/SEVERANCE PAY.**

A. As provided in the Charter, Employee's position is terminable at-will by either party in accordance with the terms of this Agreement and the Charter.

B. In the event Employee is terminated by the Employer, the Employer shall provide a severance payment. The payment amount shall be equal to six (6) months' salary. The severance shall be paid in a lump sum unless otherwise agreed to by the parties. Termination shall include discharge, resignation offered at the request of the Employer, layoff, or if the Employer reduces the base salary, compensation or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all department heads.

B. In addition to the severance payment, the Employer shall pay the Employer contributions toward health insurance during the severance period provided in the paragraph above if the Employee elects COBRA coverage.

C. In the event of nonrenewal of contract, the Employee shall continue in his current position for the remainder of the term. Provided, should the Employer determine that it is in the best interest of the County that a management change be made prior to the expiration of the Agreement, then the Employee shall receive the severance package set for the in Sections (A) and (B) of this section.

D. No such severance shall be due or payable if the termination is based on acts of misconduct, malfeasance, or nonfeasance.

E. In the event Employee decides to resign from his position prior to the end date of this Agreement or any extension as provided in Section IX above, Employee shall provide Employer with sixty days' written notice of the effective date of resignation.

**XI. RESOLUTION OF DISPUTES.**

Any dispute concerning the interpretation of this Agreement shall be brought to the attention of the Employer through the Chair of the Board of County Councilors. This Agreement shall be interpreted under Washington law.

**XII. GENERAL PROVISIONS.**

A. Employee shall be expected to follow all County policies, or any updates or revisions thereto. A majority of the Council may approve, in its sole discretion, exceptions to the policies that impact the Employee.

B. Should any provision, or any portion thereof, contained in this Agreement be held unconstitutional, invalid or unenforceable, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

C. The provisions of Sections VIII "Indemnification" and X "Severance" shall survive the expiration or termination of this Agreement. Termination of Employee's employment shall not release either party from any liability or obligation that had previously accrued and remains to be performed, discharged, or satisfied as of the date of termination.

D. This Agreement shall supersede and replace all prior agreements and contracts between the parties, whether verbal or in writing. The text herein shall constitute the entire Agreement between the parties. Employee and Employer agree that there are no other essential terms or conditions of the employment relationship that are not described within this Agreement, the Charter, or the County Code. Except for amendments to the Charter, any change to terms and conditions of this Agreement will be written down in a supplemental agreement which shall be signed by both Employer and Employee before it is effective.

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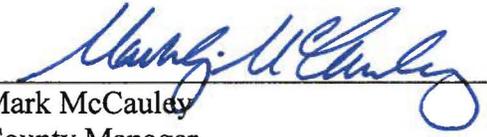
IN WITNESS THEREOF:

EMPLOYER

  
\_\_\_\_\_  
Chair

6-8-16  
Date

EMPLOYEE

  
\_\_\_\_\_  
Mark McCauldy  
County Manager

6/8/16  
Date