

**Employment Agreement
Between
City and Borough of Sitka
And
John Leach**

This Employment Agreement (“Agreement”), made and entered into this 23rd day of OCT, 2019, by and between the City and Borough of Sitka, Alaska, a home rule municipality (“the Municipality” or “Employer”) and John Leach (“Employee”).

Recitals

1. The Municipality desires to employ the services of Employee as Municipal Administrator serving at the pleasure of the Municipal Assembly; and
2. It is the desire of the Municipal Assembly to provide certain benefits and conditions of employment for the Employee; and
3. Employee desires to accept employment as the Municipal Administrator of the Municipality.

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

**Section 1
Employee Employment and Duties**

The Municipality employs Employee as Municipal Administrator to perform the function and duties specified in the Home Rule Charter of the City and Borough of Sitka (“Charter”) and the Sitka General Code (“SGC”), and to perform other legal duties and functions as the Municipal Assembly shall from time-to-time assign.

**Section 2
Indefinite Term, Removal and Resignation**

A. **Indefinite Term.** In accordance with the Charter Section 4.01, Employee is appointed Municipal Administrator for an indefinite term, effective April 1, 2020, or an earlier date as mutually agreed by Employee and Mayor. Employee hereby acknowledges receipt of a copy and review of Charter Section 4.01, which is attached and hereby incorporated by reference.

B. **Removal; Suspension.** Employee understands that the Charter establishes that the Municipal Administrator shall serve at the pleasure of the Municipal Assembly. The Employee agrees that he is an at-will employee which means that he is serving at the pleasure of the Municipal Assembly. Employee further understands and agrees that he may be removed or suspended without cause. Employee further understands and agrees that any such removal or

suspension must be in accordance with the procedures found in Charter Section 4.02. Employee hereby acknowledges receipt of a copy and review of Charter Section 4.02, which is attached and hereby incorporated by reference.

C. **Resignation.** Employee may terminate this Agreement for any reason, or no stated reason, upon giving ninety (90) calendar days written notice to the Mayor. In the event the Employee terminates this Agreement under this paragraph, the Municipality shall pay the Employee his salary and accrued but unused vacation leave, to the date of the resignation (which means when Employee no longer works for Employer), less the amount of any unpaid balance owed to the Municipality by the Employee at the time of resignation.

Section 3 Salary

During the term of this Agreement, the Municipality agrees to pay Employee for services rendered an annual base salary of ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$125,000.00), less applicable withholdings.

Section 4 Performance Review

The Municipality agrees to review Employee's performance quarterly, at regular or special meetings of the Municipal Assembly as set by the Mayor, for the first year of employment and, thereafter, as provided by the SGC or other applicable policy. Upon review, at the sole discretion of the Municipal Assembly, the Municipal Assembly may increase the Employee's salary and benefits.

Section 5 Hours of Work

As the Municipal Administrator, Employee is exempt from the provisions of the Fair Labor Standards Act ("FLSA") and shall not be paid overtime or be given compensatory time off for hours worked in excess of forty (40) per workweek. Employee shall not be bound to a workweek of any set number of hours. However, Employee is expected to work as many hours as the duties and responsibilities of his position requires.

Section 6 Vacation and Benefits

A. **Vacation Accrual.** Effective April 1, 2020, or first day of work, Employee shall have eighty (80) hours of vacation leave that may be used immediately upon hire. Employee shall accrue vacation leave thereafter at a rate of 8.67 hours per month. The terms and conditions of the leave are subject to the provisions of the City and Borough of Sitka Personnel Policies Handbook ("Handbook").

B. **Other Benefits and Insurance.** Employer shall provide Employee with sick leave, life insurance, health insurance, retirement, and other benefits provided to other exempt
Employment Agreement between CBS and John Leach

employees as described in the Handbook. Employer shall provide Employee with Public Officials Liability Insurance currently maintained by the Municipality.

C. **Membership dues** in professional organizations International City and County Management Association, and the Alaska Municipal League are also provided. Travel may be required for conferences and other duties at the expense of the Municipality.

Section 7 Indemnification

Employer agrees to defend and indemnify Employee in accordance with SGC Chapter 2.10, Defense And Indemnification Of Officers And Employees. Employee hereby acknowledges receipt of a copy and review of SGC Chapter 2.10, which is attached and hereby incorporated by reference.

Section 8 Other Terms and Conditions of Employment

The Municipal Assembly may fix any other terms and conditions of employment, as it may determine from time-to-time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or any applicable federal, state or local laws. Such terms and conditions of employment, if approved by the Municipal Assembly, shall only be effective if in writing signed by the Mayor and the Employee.

Section 9 Conflicts of Interest

Employee understands and agrees that he is subject to Charter Section 17.01 and SGC Section 1.04.080 as to conflicts of interest. Employee hereby acknowledges receipt of a copy and review of Charter Section 4.02 and SGC 1.04.080, which are attached and hereby incorporated by reference. In addition, Employee shall be sensitive to both actual and perceived conflicts of interest as the Municipal Administrator and the Employee's personal conduct including activities of members of the Employee's immediate family that are within his control which could similarly result in an actual or perceived conflict of interest. When in doubt, the Employee should consult with the Mayor in advance of any potential conflict before proceeding on the matter.

Section 10 General Provisions

A. **Assignments and Subcontracts.** The Employee may assign any of the work to be performed under this Agreement to third parties, so long as he oversees such assignments and informs the Assembly of such assignments.

B. **Applicable Law.** This Agreement shall be deemed to have been entered into and shall be construed and governed, except with respect to conflict of laws, in accordance with the laws of the State of Alaska.

C. **Waivers.** Failure of either party to insist, in any one or more instances, upon the performance of any of the terms, covenants, or conditions of this Agreement or to exercise any right hereunder, shall not be construed as a waiver or relinquishment of the future exercise of such right, but the obligation of the other party with respect to such future performance shall continue in full force and effect.

D. **Severability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision or provisions were omitted.

E. **Amendments.** This Agreement may not be amended, modified, released, discharged, supplemented, interpreted, or changed in any manner except by written instrument signed by duly authorized representatives of both parties.

F. **Headings.** The headings utilized herein are provided as aids in referencing provisions of this Agreement, but shall not be utilized in interpretation, or construction of terms and conditions of it.

G. **Entire Agreement.** This Agreement contains the entire and only understanding or agreement between the parties in relation to the employment of the Employee as the Municipal Administrator. Any verbal or written representations, provision, undertakings or conditions hereof not contained in the wording of this Agreement shall be of no effect and shall not be binding on either party.

IN WITNESS THEREOF, the City and Borough of Sitka, on a vote of its Assembly on Tuesday, October 22, 2019, has approved this Agreement and directed it to be signed and executed on its behalf by its Mayor and duly attested by its Municipal Clerk, and the Employee has signed this Agreement on the dates written below.

[SIGNATURES AND ACKNOWLEDGEMENTS ON NEXT PAGE]

**FIRST AMENDMENT TO EMPLOYEE AGREEMENT
BETWEEN CITY AND BOROUGH OF SITKA
AND JOHN LEACH, DATED OCTOBER 30, 2019**

The City and Borough of Sitka ("CBS") and John Leach agree to amend John Leach's Employee Agreement of October 30, 2019, pursuant to Sections 10 (E) of the Agreement, as follows:

(1) Amendment to Section 3 "Salary": Effective March 1, 2021, the Municipality agrees to pay Employee for services rendered an annual base salary of ONE HUNDRED FORTY THOUSAND DOLLARS AND NO CENTS (\$140,000.00), less applicable withholdings. In addition, Employee shall receive the annual 1.5% increase in pay provided to employees under the City and Borough of Sitka Personnel Policies Handbook.

(2) Amendment to Section 6 (A) "Vacation Accrual": Effective November 10, 2020, Employee shall accrue vacation leave at a rate of 16.67 hours per month.

(3) Amendment to Section 6 by adding subsection "D. Severance Pay": Effective November 10, 2020, as follows:

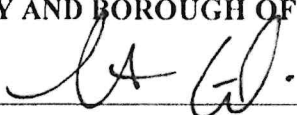
1. In the event the Employee is terminated by the Municipal Assembly during the first five (5) years of the indefinite term of this Agreement, the Municipality shall give the employee three (3) months of pay as severance. Severance pay shall be equal to the monetary value of all pay and benefits provided for the period of severance pay due. This section does not apply if employee is terminated for commission of a crime or gross misconduct as determined by the Assembly. Severance pay shall be paid in a lump sum payment, less applicable taxes.

2. The Municipality also agrees to pay the Employee's COBRA health insurance premium coverage for three (3) months after date of separation.

3. Employee shall be entitled to any accrued but unused vacation leave as of the date of separation.

All other terms and conditions of the Agreement shall remain in full force and effect during this extended term of the Agreement. This First Amendment to the Agreement was approved by the CBS Municipal Assembly on November 10, 2020.

CITY AND BOROUGH OF SITKA



By: Steven Eisenbeisz

Its: Mayor

CITY AND BOROUGH OF SITKA



By: John Leach


Its: Municipal Administrator

**SECOND AMENDMENT TO EMPLOYEE AGREEMENT
BETWEEN
CITY AND BOROUGH OF SITKA
AND
JOHN LEACH**

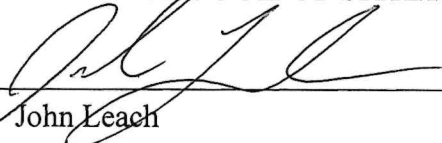
The City and Borough of Sitka ("CBS") and John Leach agree to amend John Leach's Employee Agreement of October 30, 2019 (the "Agreement"), pursuant to Sections 10 (E) of the Agreement, by amending Section 3, entitled "Salary," the following: "Effective April 19, 2022, Employee shall receive a 3.0% increase in pay, which replaces the 1.5% increase in pay for Fiscal Year 2023 provided in the First Amendment to Employee Agreement effective March 1, 2021."

All other terms and conditions of the Agreement, and amendments thereto, shall remain in full force and effect. This Second Amendment to the Agreement was approved by the CBS Municipal Assembly on April 19, 2022.

4/21/22
Date

CITY AND BOROUGH OF SITKA

By: Steven Eisenbeisz
Its: Mayor

4/21/2022
Date

CITY AND BOROUGH OF SITKA

By: John Leach
Its: Municipal Administrator


**THIRD AMENDMENT TO EMPLOYEE AGREEMENT
BETWEEN
CITY AND BOROUGH OF SITKA
AND
JOHN LEACH**

The City and Borough of Sitka ("CBS") and John Leach agree to amend John Leach's Employee Agreement of October 30, 2019 (the "Agreement"), pursuant to Sections 10 (E) of the Agreement, by amending Section 3, entitled "Salary," the following: "Effective April 18, 2023, Employee shall receive a 5.4% increase in pay, which replaces the 1.5% increase in pay for Fiscal Year 2024 provided in the First Amendment to Employee Agreement effective March 1, 2021."

All other terms and conditions of the Agreement, and amendments thereto, shall remain in full force and effect. This Third Amendment to the Agreement was approved by the CBS Municipal Assembly on April 18, 2023.


4/20/23
Date

CITY AND BOROUGH OF SITKA


By: Steven Eisenbeisz
Its: Mayor

4/19/2023
Date

CITY AND BOROUGH OF SITKA


By: John Leach
Its: Municipal Administrator

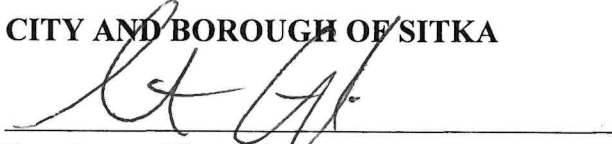
**FOURTH AMENDMENT TO EMPLOYEE AGREEMENT
BETWEEN CITY AND BOROUGH OF SITKA
AND JOHN LEACH, DATED APRIL 16, 2024**

The City and Borough of Sitka (“CBS”) and John Leach agree to amend John Leach’s Employee Agreement of October 30, 2019, pursuant to Section 10(E) of the Agreement by amending Section 6(D), entitled “Severance Pay” provided in the First Amendment to Employee Agreement effective March 1, 2021. Effective April 16, 2024, Section 6(D) shall be amended as follows:

1. In the event the Employee is terminated by the Municipal Assembly during the indefinite term of this Agreement, the Municipality shall give the employee twelve (12) months of pay as severance. Severance pay shall be equal to the monetary value of all pay and benefits provided for the period of severance pay due. This section does not apply if employee is terminated for commission of a crime or gross misconduct as determined by the Assembly. Severance pay shall be paid in a lump sum payment, less applicable taxes.
2. The Municipality also agrees to pay the Employee’s COBRA health insurance premium coverage for three (3) months after date of separation.
3. Employee shall be entitled to any accrued but unused vacation leave as of the date of separation.

All other terms and conditions of the Agreement shall remain in full force and effect during this extended term of the Agreement. This Fourth Amendment to the Agreement was approved by the CBS Municipal Assembly on April 16, 2024.

CITY AND BOROUGH OF SITKA



By: Steven Eisenbeisz

Its: Mayor

CITY AND BOROUGH OF SITKA



By: John Leach

Its: Municipal Administrator

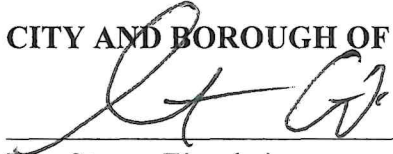
**FIFTH AMENDMENT TO EMPLOYEE AGREEMENT
BETWEEN CITY AND BOROUGH OF SITKA
AND JOHN LEACH, DATED APRIL 16, 2025**

The City and Borough of Sitka (“CBS”) and John Leach agree to amend John Leach’s Employee Agreement of October 30, 2019, pursuant to Sections 10(E) of the Agreement, as follows:

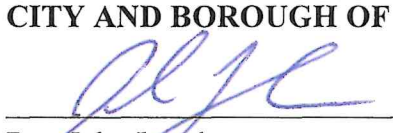
- (1) Amendment to Section 3 “Salary”: Effective April 16, 2025, the Municipality agrees to pay Employee for services rendered on an annual base salary of ONE HUNDRED SEVENTY THOUSAND DOLLARS AND NO CENTS (\$170,000.00), less applicable withholdings.

All other terms and conditions of the Agreement shall remain in full force and effect during this extended term of the Agreement. This Fifth Amendment to the Agreement was approved by the CBS Municipal Assembly on April 15, 2025.

4/16/25
Date

CITY AND BOROUGH OF SITKA

By: Steven Eisenbeisz
Its: Mayor

4/16/2025
Date

CITY AND BOROUGH OF SITKA

By: John Leach
Its: Municipal Administrator

**SIXTH AMENDMENT TO EMPLOYEE AGREEMENT
BETWEEN CITY AND BOROUGH OF SITKA
AND JOHN LEACH, DATED JANUARY 14, 2026**

The City and Borough of Sitka (“CBS”) and John Leach agree to amend John Leach’s Employee Agreement of October 30, 2019, pursuant to Section 10(E) of the Agreement, as follows:

(1) Amendment to Section 3 “Salary”: Effective January 14, 2026, the Municipality agrees to pay Employee for services rendered on an annual base salary of TWO HUNDRED THIRTY THOUSAND DOLLARS AND NO CENTS (\$230,000.00), less applicable withholdings.

(2) Employee has exercised Section 2(C) “Resignation” of the Agreement with an effective date of May 30, 2026 and the resignation was accepted by the Municipal Assembly. Employee and the Municipal Assembly mutually agree to modify the resignation date to December 18, 2026. The parties further agree the Municipal Assembly will continue recruiting for a new Municipal Administrator and Employee may depart CBS employment as per the following:

a. In the event Employee is terminated by the Municipal Assembly prior to May 30, 2026 then the Fourth Amendment to the Agreement shall apply.

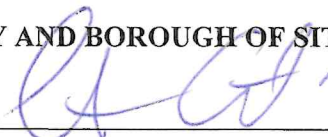
b. From May 31, 2026 but prior to December 18, 2026, with at least two weeks notice from the Municipal Assembly regarding last day of employment, Employee agrees to modify resignation date as per Municipal Assembly direction.

c. From May 31, 2026 but prior to December 18, 2026, the Employee may elect to modify resignation date to earlier than December 18, 2026 with at least two weeks written notice to the Municipal Assembly of last day of employment.

All other terms and conditions of the Agreement shall remain in full force and effect during this extended term of the Agreement. This Sixth Amendment to the Agreement was approved by the CBS Municipal Assembly on January 13, 2026.

1/15/26
Date

CITY AND BOROUGH OF SITKA


By: Steven Eisenbeisz
Its: Mayor

1/15/2026
Date

CITY AND BOROUGH OF SITKA


By: John Leach
Its: Municipal Administrator