

POSSIBLE MOTION

1)

I move to approve the Municipal Administrator Mark Gorman's employment contract per attached.



City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assemblymembers
Cc: Municipal Administrator Mark Gorman,
Municipal Attorney Robin Koutchak
From: Colleen Ingman, Municipal Clerk
Date: June 4, 2014
Subject: Contracts for the Municipal Administrator and Attorney

At the meeting of May 13, 2014 I was asked to meet with Assemblymembers Reif and Miyasato to come up with straightforward and simplified employee contracts for your two employees.

On May 28, 2014 I met with both Assemblymembers Reif and Miyasato to review the contracts. At that time a couple minor edits were offered. Specifically there was a desire to make it clear that if the employee terminated the contract on their own there would be no severance paid. Under Section 2: A Term, second paragraph, a clarifying statement was added to the end of the paragraph. In Section 4: Salary, it was the desirous that these employees' annual salary adjustments be considered at the time of their evaluations or April of each year. However, since no adjustments took place at their last satisfactory evaluations and the intent was to address them following the Fox Lawson Study the Municipal Attorney is respectfully requesting to have her pay adjusted by 5% effective July 1, which is referenced in the attached contract.

I'm attaching Alaska Municipal League's Salary Survey for these positions effective July 1, 2013 for your reference.

Attachment

Manager or Administrator

All salary rates are monthly; all employees are full time. This is an appointed position.

Municipality	Population	Specific Working Title	Job Match	# of Employees	Union or Nonunion	Work Wk	Lowest Wage	Average Wage	Highest Wage	Note:
Fairbanks North Star Borough	98,660	Chief of Staff	Same	1	Non	40	\$0.00	\$56.45	\$0.00	
Matanuska-Susitna Borough	91,946	Borough Manager	Same	1	Non	40	\$0.00	\$82.50	\$0.00	
Juneau	31,275	Borough Manager	More	1	Non	40	\$0.00	\$69.71	\$0.00	Determined by the Assembly
Kodiak Island Borough	13,592	Borough Manager	Same	1	Non	40	\$0.00	\$59.13	\$0.00	
Ketchikan Gateway Borough	13,477	Manager	Same	1	Non	40	\$0.00	\$63.94	\$0.00	
Sitka	8,627	Administrator	Same	1	Non	40	\$0.00	\$58.65	\$0.00	
Kenai	7,115	City Manager	Same	1	Non	40	\$0.00	\$74.53	\$0.00	Contract
North Slope Borough	6,751	Chief Administrative Officer	Same	1	Non	37.5	\$0.00	\$86.68	\$0.00	
Kodiak	5,974	City Manager	Same	1	Non	40	\$0.00	\$55.22	\$0.00	
Homer	5,551	Manager	Same	1	Non	40	\$0.00	\$52.45	\$0.00	
Palmer	5,382	City Manager	Same	1	Non	40	\$0.00	\$50.00	\$0.00	
Unalaska	4,297	City Manager	Same	1	Non	40	\$0.00	\$72.17	\$0.00	\$7500 lump sum bonus in addition to annual contractual increase
Soldotna	4,021	Manager	Same	1	Non		\$0.00	\$0.00	\$0.00	\$132,355.00 Year
Valdez	3,992	Manager	More	1	Non	40	\$0.00	\$60.02	\$0.00	Exempt-appointed
Nome	3,468	City Manager	Same	1	Non	37.5	\$0.00	\$51.09	\$0.00	
Petersburg	3,030	City Manager	Same	1	Non	40	\$0.00	\$50.48	\$0.00	Contract Employee
Seward	2,733	City Manager	Same	1	Non	40	\$0.00	\$53.58	\$0.00	
Aleutians East Borough	2,659	Administrator	Same	1	Non	40	\$0.00	\$63.08	\$0.00	
Dillingham	2,491	City Manager	Same	1	Non	40	\$0.00	\$55.29	\$0.00	Wage of last Full-Time City Manager. Currently have Interim City Manager.
Wrangell	2,144	Borough Manager	Same	1	Non	40	\$0.00	\$60.23	\$0.00	

**EMPLOYMENT AGREEMENT BETWEEN
CITY AND BOROUGH OF SITKA
AND MARK GORMAN**

This "Employment Agreement Between City and Borough of Sitka and Mark Gorman" ("Agreement") is entered into by the City and Borough of Sitka, a municipal corporation of the State of Alaska ("CBS"), and Mark Gorman ("the Municipal Administrator"), referred to in this Agreement individual as "Party" and collectively as "Parties," with the terms and conditions set out as follows:

RECITALS

1. CBS desires to employ the services of the Municipal Administrator; and
2. The Municipal Administrator desires to maintain employment as the Municipal Administrator for CBS, a position he has held since October, 2013.

In consideration of the mutual covenants contained in this Agreement, the Parties agree as follows:

SECTION 1: THE MUNICIPAL ADMINISTRATOR EMPLOYMENT AND DUTIES

CBS agrees to employ the Municipal Administrator to assist in performing the functions and duties specified of the Sitka Municipal Administrator in the Charter of the City and Borough of Sitka and Sitka General Code and to perform such other legally permissible and proper duties and functions as the City and Borough Assembly shall from time to time assign.

SECTION 2: TERM, DISCHARGE AND RESIGNATION

A. TERM

This Agreement shall have a term commencing July 1, 2014 and ending June 30, 2017, hereinafter the termination date. The Municipal Administrator agrees to remain in the exclusive employment of CBS until said termination date unless this Agreement is earlier terminated as hereinafter provided.

Should the Municipal Administrator continue working for CBS after expiration of this contract without a new contract being signed or this contract being renewed, the Municipal Administrator will be employed under the same terms and conditions as contained in this Agreement until the Municipal Administrator relationship is severed, with the exception of Section 3.

Nothing in this Agreement prevents the Parties from extending the term of this Agreement by mutual agreement.

B. DISCHARGE

The Municipal Administrator agrees he is an at-will employee – serving at the pleasure of CBS Assembly. He may be suspended or discharged without advance notice and without

cause at any time during a lawfully scheduled meeting by a vote of at least four members of the Assembly.

C. RESIGNATION

The Municipal Administrator may terminate this Agreement for any reason, or no stated reason, upon giving ninety (90) calendar days written notice to CBS. In the event The Municipal Administrator voluntarily terminates employment, CBS shall be under no obligation to The Municipal Administrator except to pay salary, benefits and accrued leave, to the date the resignation is effective, less the amount of any unpaid balance owed to CBS by The Municipal Administrator.

SECTION 3: SEVERANCE PAY

In the event the Municipal Administrator is terminated by Assembly during such time as the Municipal Administrator is willing and able to perform the duties of the Municipal Administrator, CBS shall give the Municipal Administrator ninety (90) days of severance pay, unless The Municipal Administrator is terminated for commission of a crime or gross misconduct. Severance pay shall constitute a lump sum cash payment equal to the monetary value of all pay and benefits provided for the period of severance pay due, except that CBS shall pay directly for the Municipal Administrator's CBS-sponsored health insurance for ninety (90) calendar days after separation under COBRA. Employee shall be entitled to accrued leave as of the date of separation.

SECTION 4: SALARY

During the term of Agreement, CBS agrees to pay the Municipal Administrator for services rendered pursuant to an annual base salary of \$125,000 per year. Any future adjustments to his salary will be made in April and coincide with his evaluation provided the Municipal Administrator receives a satisfactory work performance from at least four of seven members of the Assembly.

SECTION 5: PERFORMANCE REVIEW

CBS agrees to review the Municipal Administrator's performance annually on the third Tuesday in April.

SECTION 6: HOURS OF WORK

The Municipal Administrator is exempt from the provisions of the Fair Labor Standards Act and shall not be bound to a workweek of any set number of hours. The Municipal Administrator is expected to work as many hours as the responsibilities of his position requires. As a result, the Municipal Administrator shall not be paid overtime or allowed to accrue compensatory time.

SECTION 7: VACATION AND BENEFITS

The terms and conditions of leave are subject to the provisions of CBS Personnel Policies Handbook. CBS will provide the Municipal Administrator with sick leave, health insurance and other benefits on the same basis that these benefits are provided to other CBS employees, as described in the Personnel Policies Handbook, with a vacation accrual rate of 16.67 hours per month of annual leave to the Employee starting July 1, 2014 and every year thereafter.

IN WITNESS THEREOF, CBS approves this Agreement by a majority vote of its Assembly, and has authorized this Agreement be signed and executed on its behalf by its Mayor and duly attested by its Municipal Clerk, and the Municipal Administrator also executes this Agreement freely and voluntarily, on this 10th day of June, 2014.

Mark Gorman

Date

CITY AND BOROUGH OF SITKA

Mim McConnell, Mayor

Date

ATTEST:

Colleen Ingman, MMC, Municipal Clerk

Date