

RESOLUTION NO. 1801

A RESOLUTION AUTHORIZING AN AGREEMENT FOR EMPLOYMENT OF STEVEN N. TAYLOR AS GENERAL MANAGER OF PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY, WASHINGTON, AND FIXING COMPENSATION

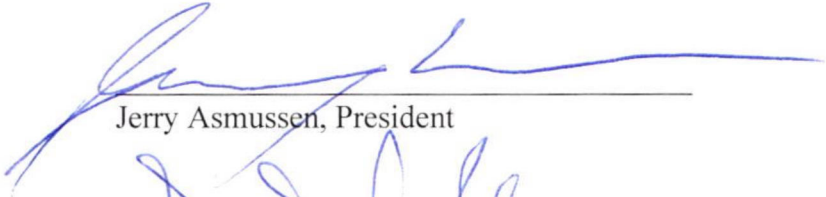
WHEREAS, Under Resolution No. 1663 dated June 11, 2018, the Commissioners of Public Utility District No. 1 of Okanogan County appointed Steven N. Taylor as General Manager, authorized a five-year agreement for employment, and fixed compensation for the position and

WHEREAS, the Commissioners desire to renew the agreement for employment with Steven N. Taylor as General Manager for a three-year period and to fix compensation.

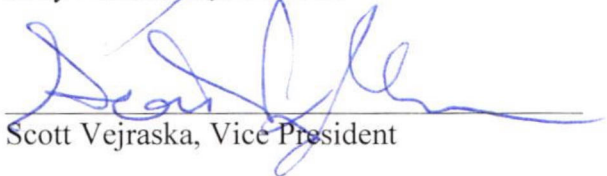
NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Public Utility District No. 1 of Okanogan County to authorize the Board President to execute an agreement for employment with Steven N. Taylor as General Manager of Public Utility District No. 1 of Okanogan County, Washington, said agreement attached hereto as Exhibit A and made a part hereof by reference, and which shall be effective as of October 28, 2023.

BE IT FURTHER RESOLVED that the salary of Steven N. Taylor is hereby fixed in the sum of \$264,300.00 annually.

APPROVED AND ADOPTED by the Public Utility District No. 1 Commissioners of Okanogan County this 23rd day of October, 2023.



Jerry Asmussen, President



Scott Vejraska, Vice President

ATTEST:



William C. Colyar, Secretary

APPROVED AS TO FORM:



Heidi E. Appel, General Counsel

Exhibit A

General Manager Employment Agreement

THIS GENERAL MANAGER EMPLOYMENT AGREEMENT (the "Agreement") is between Steven N. Taylor ("Employee") and the Public Utility District No. 1 of Okanogan County, Washington ("Employer" or "District"), collectively known as the "Parties." This Agreement shall be effective as of October 28, 2023 (the "Effective Date").

In consideration of the mutual promises set forth below, the parties agree as follows:

1. EMPLOYMENT AND EMPLOYMENT TERM

A. As of the Effective Date, the District will employ Employee as its General Manager and Employee will accept such employment. Employee is for all purposes an at-will employee and has no right to employment with the District other than as expressly stated in this Agreement.

B. The initial term of this Agreement shall be for three (3) years, commencing October 28, 2023, and ending October 31, 2026 ("Initial Term"). This Agreement will automatically renew for a one (1) year term commencing on November 1st and ending October 31st of succeeding years ("Succeeding Term"), unless:

1. The parties extend it prior to the end of the Initial Term or a Succeeding Term;
2. A party terminates it before the end of the Initial Term or a Succeeding Term, consistent with the termination provisions set forth in Paragraph 6 below; or
3. The District notifies Employee in writing no later than August 1, 2026, of the Initial Term or August 1st of a Succeeding Term that the Agreement will expire on October 31, 2026, or October 31st of a Succeeding Term, as the case may be.

2. DUTIES

Employee shall render full-time professional services to the District in the capacity of General Manager of the District. He shall, at all times, faithfully, industriously and to the best of his ability, perform all duties that may be required of him by virtue of his position as General Manager and all duties set forth in RCW 54.16.100 and elsewhere under law or District policies. He shall lawfully perform the same and any special duties assigned or lawfully delegated to him by the Commission. Employee agrees not to accept any other employment under any circumstances during the term of this Agreement without approval of a Resolution of the Commission.

3. COMPENSATION, PERFORMANCE REVIEW AND SPECIFIC BENEFITS

A. Salary. As General Manager, Employee shall receive an annual salary of \$264,300.00 (\$22,025.00/per month). Salary increases may be made at the discretion of the Commission, but shall be paid on the condition and in consideration of continued employment; and shall be based upon achievement of objectives as determined by the Commission. Any adjustments to the Employee's compensation shall be made pursuant to a Resolution passed by the Commission. Employee's performance will be reviewed by the Board and discussed with him no less than annually to determine achievement of objectives. Should the Commission determine a compensation adjustment is indicated, such an adjustment should be made effective May 1st or as soon thereafter.

B. Insurance/Life Insurance. Employee shall be entitled to participate with other employees of the District in all insurance coverage, as may be authorized and adopted from time to time by the District.

C. Personal Leave Benefit. Employee shall accrue leave at the highest level afforded by District policy for over twenty-five years of service.

4. EXPENSES

As an employee of the District, Employee shall be reimbursed in accordance with the District's existing practice, policy and procedure for normal and customary business expenses incurred in the performance of his duties. In order to maintain and augment his professional involvement and professional development in the public utility field, the Employee is encouraged and is expected to attend seminars, professional meetings, conventions, educational courses related to utility administration and operations, and to freely participate in organized activities related to the utility field. Attendance at such meetings and accomplishment of professional duties shall be compensated service time and shall not be considered vacation time. The cost of travel, tuition or registration, food and lodging for attending such activities shall be paid by the District pursuant to District policies. The District shall pay all dues of professional certifications and licensure for Employee including the continuing education requirements, cost of travel, tuition or registration, food and lodging for attending.

5. BENEFITS

In addition to the specific benefits set forth in paragraph 3 of this Agreement, Employee shall receive the District's employer-provided benefits in accordance with the District's existing programs, policies, and procedures.

6. TERMINATION AND SEVERANCE

A. Termination for Cause. The Commission may terminate this Employment Agreement and the Employee's employment as General Manager for cause by a majority of a quorum of the Commission. No severance will be paid to the Employee in the event of termination for cause. For purposes of this Agreement, "**Cause**" shall mean:

1. the Employee's willful refusal or willful circumvention of the duties set forth by law, in the District's policies and resolutions, and/or written directives of the Commission;
2. the Employee's conviction of or plea of guilty or nolo contendere to a crime that the Commission reasonably believes has had or will have a materially detrimental effect on the District's business or reputation;
3. any act of dishonesty, deception, misrepresentation, or fraud committed by the Employee in connection with the Employee's duties;
4. any act or omission which materially injures the District's business or reputation, or any other act of material misconduct as determined by the Commissioners; or
5. any other material breach of this Agreement by the Employee.

B. Voluntary Termination. In the event the Employee elects to terminate his employment, he shall give the Commission no less than sixty days' written notice of his intent to terminate. Said notice may be waived or shortened by a majority of a quorum of the Commission. No severance will be paid to the Employee in the event of voluntary termination.

C. Termination without Cause. The Commission may, at its discretion, terminate this Agreement and the Employee's employment as General Manager without cause by a majority of a quorum of the Commission. The termination will become effective upon sixty days' written notice to the Employee. The Commission may elect to pay the Employee a lump sum of sixty days' salary in lieu of providing this notice.

D. Severance Compensation. In the event the Employee is terminated without cause and signs a release as set forth by Paragraph F below, the District shall pay the equivalent of six months' salary and cost of health care coverage. Salary for purpose of severance compensation shall be based on the hourly rate Employee earned one month preceding termination and shall be paid as a lump sum within ninety days of the termination date. The cost for health care coverage for purpose of severance compensation shall be an amount equal to the COBRA payment for such coverage, and may, at the Employee's election, be paid either as a lump sum within ninety days of the termination date or be payed directly by the District on behalf of the Employee. At the time of separation, Employee shall be entitled to all accrued personal leave, VEBA and other accrued earnings ordinarily paid to employees separating from employment.

E. Employment Following Termination. The Employee shall promptly notify the District if he becomes employed by a third party during any period of time for which the District is paying severance compensation or benefits. During such period of employment, the District shall be obligated to Employee for only that portion of monthly severance that exceeds the monthly compensation from the other employer. Employee shall promptly reimburse the District for any severance compensation or benefits received in excess of the District's obligation to pay severance benefits or compensation.

F. Severance Release. In the event Employee accepts any of the severance payments or benefits described herein, Employee agrees to and does waive all actual or potential legal claims against Employer, whether facts that may support such a claim exist now or at any time in the future. Employee promises not to sue, make any claim or initiate any legal, regulatory or administrative action against Employer or its agents, elected officials, assigns and employees in any forum and releases and discharges Employer, its agents, elected officials, assigns and employees from any and all claims, causes of action, damages, attorneys' fees, costs, or consequential damages arising out of Employee's employment relationship with Employer based upon circumstances or events on or after the Effective Date of this Agreement. This release includes all claims for direct and indirect damages, expenses, attorneys' fees, and all claims in law and in equity. It is understood that this release also includes, without limitation, all claims under any theory of negligence or common law torts, breach of contract, any deprivation of civil rights (including federal or state constitutional rights or due process violations), all statutory claims including, but not limited to, 42 U.S.C. Section 1983, Title VII of the Civil Rights Act, as amended, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and the Washington Law Against Discrimination. Employee further agrees by his acceptance of any severance payments not to interfere with the operations of Employer, its Board members, staff, contractors, agents, and assigns in any manner. Employee agrees to promptly execute a complete release of any and all liability as a condition of payment of any severance pay. Otherwise, this Agreement is sufficient to release Employer from all liability as described herein.

7. DISABILITY

If the Employee shall become incapacitated or disabled from performing his duties under this Agreement, as incapacitated or disabled is defined by the disability insurance policy provided by District, or shall neglect his duties or devote the majority of his time and attention to other interests, or shall use liquors, narcotics, or drugs to such extent as will have a visible or perceptible detrimental effect upon him or his services provided, such events shall be considered a violation of this Agreement and this Agreement shall terminate at the option of the District. The determination of the incapacity of the Employee shall be made at the sole discretion of the District, but said decision shall not be unreasonable or arbitrary. The Employee shall, if requested by the District, promptly submit to a mental and/or physical examination and/or substance testing to assist the District in making its determination. Failure to comply with such a request shall preclude the Employee from challenging any decision of the District in this regard. If eligible, the Employee would

have income protection benefits as offered through the District's Disability Plan and/or any other eligible benefits that might apply to the situation.

8. CONFIDENTIALITY

Employee acknowledges that in the course of his employment, he will have access to confidential information of the District including, without limitation, operational and financial information, business and marketing plans and strategies, labor strategies and negotiations and related information, and processes. The Employee shall not, during or after the termination of this Agreement, disclose said confidential information, or any part thereof, to any person, firm, corporation, association, limited liability employer, joint venture or any other entity, for any reason or purpose whatsoever except in furtherance of his duties hereunder, without the properly written consent of the District; however, confidential information does not include information that has been previously disclosed to the public by the District or is in the public domain. The Employee agrees that upon termination of his employment for any reason, or as earlier requested, he shall return to the District all of its property, files, records and copies of files and records, whether confidential or not, whether tangible or intangible form, on electronic or magnetic media or otherwise. The Employee agrees that, during the term of this Employment Agreement, he will not, directly or indirectly, encourage, or solicit or assist others to encourage or solicit any employee or consultant of the District to reduce or terminate their relationship with the District. This covenant shall survive termination of the Employment Agreement.

9. ENTIRE AGREEMENT

This Agreement shall constitute the entire agreement between the Parties, and any prior understanding or representation, of any kind, preceding the date of execution of this Agreement, shall not be binding upon either Party except to the extent incorporated herein. Employee has had a reasonable opportunity to review this Agreement, to have it reviewed by a competent attorney, and enters into such with a complete understanding of its terms and conditions.

10. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Washington. Venue for any legal action hereunder shall be in the Superior Court of Okanogan County, Washington.

11. MODIFICATION

Any modification of this Agreement shall be binding only if evidenced in writing signed by each Party or an authorized representative of each Party.

12. INDEMNIFICATION, DEFENSE AND HOLD HARMLESS

The District shall indemnify, defend, and hold Employee harmless against any third party allegation, claim or judgment brought against him for his actions alleged to have occurred in the course and scope of his employment. This provision shall be construed to provide the fullest protection under the law to the Employee, and shall not be interpreted to reduce such protection or rights already afforded by law or equity.

13. MEDIATION

In the event of a dispute arising out of this Agreement, the Parties will make best reasonable efforts to resolve said dispute informally. Should these resolution efforts fail, as a condition precedent to filing of a legal action, the Parties shall submit the matter to non-binding mediation on terms and conditions they agree on in writing or, should they fail to agree on these terms and conditions, to the Washington Arbitration and Mediation Service in Washington State. Each Party will share equally in the costs of mediation.

14. ATTORNEYS' FEES


In the event any action or proceeding is brought for the purpose of determining or enforcing the right of either Party hereunder, the Party prevailing in such action or proceeding shall be entitled to recover from the other Party all reasonable costs and expenses incurred, including reasonable attorneys' fees.


15. SEVERABILITY

Should any provision of this Agreement be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Agreement shall be held as unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the Parties with any such modification to become a part hereof and treated as though originally set forth in this Agreement.

IN WITNESS WHEREOF, the parties executed this Agreement on October 23, 2023

Public Utility District No. 1 of
of Okanogan County


Steven N. Taylor

By: 
Jerry Asmussen
President, Board of Commissioners

I, Jerry Asmussen, President of the Board of Commissioners at the time of the execution of this Agreement, hereby attest that I am signing this Agreement on behalf of the Board of Commissioners after passage of an authorizing Resolution No. 1801, first introduced publicly at its August 28, 2023, Board of Commissioners meeting and voted affirmatively upon at the Commission's regularly scheduled meeting on October 23, 2023.