

## EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is made by and between the SAN LUIS OBISPO COUNTY INTEGRATED WASTE MANAGEMENT AUTHORITY ("IWMA") and Brooks J. Stayer ("Executive Director").

In consideration of the mutual promises and covenants contained in this Agreement and with the intent to be legally bound, the following is agreed as follows:

### 1. TERM OF EMPLOYMENT

**1.1 Title.** Brooks J. Stayer shall act as the Chief Administrative Officer identified as "Manager" in Section 1.12 of the IWMA Joint Powers Agreement under the new working title of "Executive Director."

**1.2 Term.** Subject to earlier termination as provided in this Agreement, the Executive Director shall be employed as the Chief Administrative Officer of IWMA for a three (3) year term beginning July 1, 2019 and ending July 1, 2022. This Agreement may be extended in one-year increments by written agreement between IWMA and Executive Director. In the absence of any such written extension, the Agreement shall terminate at the end of its then current term.

**1.3 Status.** Executive Director shall be an at-will contract employee serving at the pleasure of the Board of IWMA and shall have no right of tenure as a result of this contractual relationship, and Executive Director shall have no so-called *Skelly* rights.

### 2. EMPLOYMENT RESPONSIBILITIES

**2.1 Full Time and Best Efforts.** IWMA agrees to employ Executive Director as its Chief Administrative Officer, and in such other management capacities as are consistent with his position as Chief Administrative Officer, as requested from time to time by the Board of Directors of IWMA (the "Board") and in accordance with the IWMA Joint Powers Agreement. During the term of this Agreement, Executive Director will devote Executive Director's full business time and use Executive Director's best efforts to advance the business and welfare of IWMA and will not engage in any other employment or business activities for any direct or indirect remuneration that would be directly harmful or detrimental to, or that may compete with, the business and affairs of IWMA, or that would materially interfere with Executive Director's duties hereunder. Notwithstanding the foregoing, Executive Director may serve, for compensation, as a lecturer, consultant to others, and engage in other activities of a short duration which do not materially interfere with the Executive Director's ability to perform Executive Director's responsibilities under this Agreement. In all such cases, the Executive Director shall inform the Board of IWMA of such activities. The Board shall have the right to direct the Executive Director to cease any such activities which it determines, in the Board's sole discretion, to unreasonably interfere with the performance of the Executive Director's duties hereunder, or are otherwise detrimental to IWMA.

**2.2 Duties and Authority.** Performance of the Executive Director's duties as Chief Administrative Officer of IWMA shall at all times be subject to the policies set by the Board, and with the consent of the Board, when required by this Agreement, or by the Bylaws, Board resolutions, and IWMA Joint Powers Agreement. Such duties shall include, without limitation, those set forth in the accompanying Exhibit A; to maintain the records of IWMA and cause to be prepared, all such reports as may be required by law, regulation or Board policy, including but not limited to, statements and reports to the Board; and shall, from time to time, and at any time upon request, make reports to the Board on the business affairs and financial condition of IWMA. In addition to the duties described herein, the Executive Director shall have the duties and responsibilities set forth below.

**2.2.1 Authority to Hire.** The Executive Director shall have full and exclusive authority to hire, compensate, and terminate any IWMA staff within the framework and salary levels established in the Board's approved budget and policies for IWMA. All of Executive Director's IWMA staff shall have written evaluations prepared with salary increase recommendations supported by work performance. The Executive Director shall provide staff salary information to the Board as required or requested.

**2.2.2 Retention of Legal Counsel.** In consultation with the Board and IWMA legal counsel, the Executive Director shall have authority to retain outside legal counsel and other consultants for IWMA.

**2.2.3 Presence at Meetings.** At the discretion of the Board, the Executive Director shall be available to attend all meetings of the Board and any committee of the Board, when requested to do so.

### **3. COMPENSATION**

**3.1. Salary.** Executive Director shall be paid a salary of \$150,000.00 per year, payable consistent with IWMA's payroll practices for exempt employees. The base salary may be increased in accordance with actions of the Board, at such time and in such manner as the Board elects, in its sole and absolute discretion. Such increases, if any, shall be based upon merit and performance. In addition, IWMA shall provide Cost of Living increases based on the percent change in the California Consumer Price Index for All Urban Consumers for the previous year. The increase shall be effective on the anniversary date of this Agreement.

**3.2. Retirement Contribution.** IWMA shall pay 18.0 percent of the basic salary on a monthly basis into a retirement program specified by the Executive Director.

**3.3. Auto Allowance.** The Executive Director shall have a choice between using his own automobile for work related transportation or using an IWMA leased electric vehicle (no hybrid vehicles). If using a personal vehicle, the Executive Director will be reimbursed at the applicable IRS mileage rate up to \$350 a month. In the alternative, the IWMA will lease an electric vehicle (chosen by the Executive Director) for a cost of up to \$450 a month.

**3.4. Relocation Allowance.** IWMA shall pay the Executive Director a minimum \$5,000 for moving expenses and up to \$7,500.00 (with receipts). These funds may be used for temporary living expenses, moving expenses, and other expenses related to relocation. Executive Director will provide receipts for all such expenses after the first \$5,000.

**3.5. Communications Allowance.** IWMA shall pay the Executive Director \$75 per month for work-related communications expenses. Executive Director will provide and maintain communications services and be regularly available to respond to work-related communication via phone, email, text, etc.

#### **4. BENEFITS**

**4.1. Medical/Health Plans.** IWMA shall contribute on a monthly basis the sum of Two Thousand One Hundred Dollars (\$2,100) toward medical or other health plans selected by Executive Director in Executive Director's discretion. This sum may be increased within the complete discretion of the Board.

#### **4.2. Time Off.**

**4.2.1. Vacation.** Executive Director shall accrue vacation at the rate of 160 hours/20 days per year. Accrued vacation may be taken at the discretion of the Executive Director in consultation with the Board and in accordance with established vacation policies in force at the time. Earned vacation may be accrued to a maximum of 2.0 times the annual accrual (320 hrs). Unused vacation hours may be sold back to IWMA by Executive Director at Executive Director's then-current hourly rate, determined by dividing Executive Director's annual salary by 2,080 hours (52 weeks x 40 hours), so long as Executive Director has 20 hours of vacation remaining on the books.

**4.2.2. Sick Time.** Executive Director shall be provided initially with a maximum of 96 hours (12 days) of sick leave and will accrue an additional 96 hours annually on the anniversary date of this Agreement with a maximum accrual of 400 hours. At separation from employment, Executive Director shall be paid twenty percent (20%) of the accrued sick leave total for each year of service, up to a maximum of 200 hours.

**4.2.3. Administrative Leave.** Executive Director shall be entitled to 5 days of administrative leave annually. Administrative Leave must be used in the fiscal year given and does not carry over.

**4.2.4. Holidays.** IWMA observes the following paid holidays:

New Year's Day  
Martin Luther King Day  
Lincoln's Day  
President's Day  
Cesar Chavez Day  
Memorial Day

Independence Day  
Labor Day  
Columbus Day  
Veteran's Day  
Thanksgiving Day & Day Following  
Christmas Day  
Personal Holiday (1)

4.3. **Term Life Insurance.** IWMA shall purchase a term life insurance policy in the benefit amount of \$50,000, with a beneficiary designated by Executive Director, which shall remain in effect for the duration of this Agreement.

## 5. EXPENSE REIMBURSEMENT

5.1. **General Expenses.** IWMA shall reimburse Executive Director for all reasonable expenses incurred by Executive Director in the performance of Executive Director's duties under this Agreement and in accordance with the budget policies established by IWMA, including mileage reimbursement at the rate established by the IRS.

5.2. **Attendance at Conferences/Events.** Executive Director shall be permitted to attend relevant conferences, seminars and other such meetings, the reasonable cost of which shall be paid by IWMA, with prior written approval of the Board. IWMA shall reimburse Executive Director in accordance with its customary expense reimbursement policies and procedures for expenses incurred by Executive Director in the execution of his duties under this Agreement. Reimbursements for expenses shall be consistent with SLO County Auditor guidelines.

## 6. EVALUATION

No later than December of each calendar year that this Agreement is in effect, IWMA shall evaluate and assess the performance of the Executive Director. Such evaluation shall relate to the duties and responsibilities of the Executive Director under this Agreement and Executive Director's progress toward established goals.

## 7. CONFIDENTIALITY AGREEMENT.

The Executive Director shall sign a Confidentiality Agreement to be presented to Executive Director concurrently with this Agreement in the form attached to as Exhibit B.

## 8. BINDING EFFECT OF AGREEMENT

This Agreement shall be binding upon the parties and the respective heirs, executors, administrators, successors, and assigns.

## 9. AMENDMENT AND TERMINATION

**9.1. Mutual Agreement.** This Agreement may be altered, amended, or terminated at any time by the mutual written agreement of the Executive Director and the Board.

**9.2. At-Will Employment.** Executive Director understands that Executive Director shall at all times remain an at-will employee, and Executive Director may resign or IWMA may terminate Executive Director's employment with or without cause by delivering written notice to the other party. Notwithstanding Executive Director's at-will employment status, in the event of termination of Executive Director's employment, the terms of this Paragraph 9 shall apply.

**9.3. Termination for Cause.** The Board may terminate the Executive Director's employment with IWMA at any time for "Cause" (as defined below), immediately on written notice to the Executive Director of the circumstances leading to termination for Cause. If the Executive Director's employment is terminated for Cause, Executive Director shall only receive payment for all accrued salary and vacation and sick leave through the termination date, and other appropriate benefits under IWMA's benefit plans through the termination date. IWMA shall have no further obligation to pay any compensation of any kind (including, without limitation, any severance payment), or to make any payment in lieu of notice. All benefits provided by IWMA to the Executive Director under this Agreement or otherwise shall cease on the termination date except for any benefits required by law. The term "Cause" shall mean the occurrence or existence of any of the following with respect to the Executive Director as determined by a majority vote of the Board:

**9.3.1.** A material breach by the Executive Director of this Agreement;

**9.3.2.** The repeated material breach by Executive Director of any duty referred to in Exhibit A, for which at least one prior written notice was given;

**9.3.3.** Any material act of dishonesty, misappropriation, embezzlement, intentional fraud, or similar conduct by the Executive Director involving IWMA;

**9.3.4.** The conviction or the plea of nolo contendere or the equivalent in respect of a felony or other crime involving moral turpitude; or

**9.3.5.** Conduct by the Executive Director that in the good faith determination by a majority of the Board demonstrates unfitness to serve as an employee of IWMA.

**9.4. Termination by IWMA for Reasons Other Than Cause.** IWMA may terminate this Agreement for reasons other than Cause as follows:

**9.4.1.** Upon sixty (60) days' prior written notice to the Executive Director, provided that, in its discretion, IWMA may place Executive Director on paid administrative leave during this period; or

**9.4.2.** Upon the bankruptcy or dissolution of IWMA; or

**9.4.3.** If the Executive Director shall, by reason of illness or physical or mental incapacitation for a period of ninety (90) days or more (collectively "Disability"), as determined by a licensed health care professional, and subject to applicable disability accommodation law, fails to reasonably perform in an active capacity the services required of Executive Director under this Agreement.

**9.5. Termination Compensation.** In the event of termination by the Board pursuant to Section 9.4.1, 9.4.2, or 9.4.3, IWMA shall pay to Executive Director as severance pay, an amount equal to three (3) months of Executive Director's then-current monthly base salary (but no other benefits payments), either in a lump sum or payouts over regular pay periods, at the discretion of IWMA. Such payment shall be contingent upon Executive Director executing a release of claims in a form provided by IWMA.

**9.6. Termination by Executive Director.** In the event of termination of this Agreement by Executive Director, prior to the end of the then-current term, by resignation, retirement, or death, there shall be no termination compensation except for salary through the termination date, vested benefits, if any, retirement or health programs, payment of accrued and unused vacation and sick leave, as provided herein, or as otherwise provided under this Agreement or by law. Such payment shall be made to Executive Director or Executive Director's beneficiaries, heirs, or estate.

**9.7. Rights and Obligations After Notice of Termination.** If the Executive Director gives notice of termination of this Agreement under Section 9.6, or if it becomes known that this Agreement will otherwise terminate in accordance with its provisions, IWMA may, at its sole discretion and subject to its other obligations under this Agreement, relieve the Executive Director of Executive Director's duties as Chief Administrative Officer under this Agreement and put Executive Director on paid administrative leave or assign the Executive Director to other reasonable duties and responsibilities consistent with Executive Director's experience and skills, to be performed until the termination becomes effective.

**9.8. Duty of Cooperation After Termination.** The Executive Director agrees to cooperate with IWMA, during the term of this Agreement and thereafter (including following the Executive Director's termination of employment for any reason), by being reasonably available to testify at the request of IWMA in any action, suit, or proceeding, and by providing information and meeting and consulting with the Board or its representatives or counsel, as reasonably requested. IWMA shall reimburse the Executive Director for all reasonable travel expenses actually incurred in connection with such cooperation.

## **10. OTHER PROVISIONS**

**10.1. Waiver.** Waiver by either party of any term or condition in this Agreement or any breach shall not constitute a waiver of any other term or condition or breach of this Agreement.

**10.2. Applicable Law Arbitration.** This Agreement shall be governed in accordance with the laws of the State of California in every respect. Any controversy or claim arising out of,

or relating to, this Agreement, or the making, performance, or interpretation thereof, shall be resolved by way of arbitration, consistent with an Arbitration Agreement to be signed by Executive Director, in the form attached as Exhibit C.

**10.3. Copyright.** Any reports, maps, documents, or other materials produced in whole or in part under this Contract shall be the property of IWMA, and shall not be subject to any application for copyright by or on behalf of Executive Director.

**10.4. Notices.** Any notice or communication permitted or required by this Agreement shall be in writing and may be made by personal delivery to Executive Director or to the Board President, or, if delivered by mail, shall become effective two (2) days after mailing by certified mail, return receipt requested, postage prepaid addressed as follows:

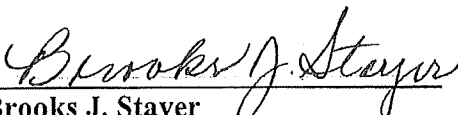
**10.4.1.** If to IWMA, to: Board President, IWMA, at the then-current business address for IWMA.

**10.4.2.** If to Executive Director, at the address then of record on the personnel and payroll records of IWMA.

**10.5. Entire Agreement.** This Agreement contains all of the terms agreed upon by all parties with respect to the subject matter of this Agreement and supersedes all prior agreements, arrangements, and communications between the parties concerning such subject matter, whether oral or written. This Agreement may only be amended by a written instrument signed and dated by all parties and approved by resolution of the Board.

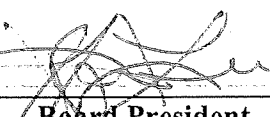
**10.6. Drafting.** This Agreement shall be interpreted as if it had been drafted by both parties concurrently and equally and shall not be interpreted against either party by virtue of that party having primarily drafted the Agreement.

**EXECUTIVE DIRECTOR**

  
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Brooks J. Stayer

Date: 16 Apr 19

**SAN LUIS OBISPO COUNTY  
INTEGRATED WASTE  
MANAGEMENT AUTHORITY**

  
By: \_\_\_\_\_  
Board President

Date: 4/22/2019