

Employment Agreement Haines Borough Manager Annette Kreitzer

This Agreement, effective October 1, 2021, is between the Haines Borough, Alaska, (hereinafter "Borough"), a municipal corporation, and Annette Kreitzer ("Manager"), and is effective as provided below. This Agreement is based upon the following premises:

WHEREAS, the Borough wishes to employ the Manager, in accordance with the Borough's authority under State law, the Haines Borough Charter and the Haines Borough Code, and the Manager wishes to be employed by the Borough; and

WHEREAS, the Borough and the Manager wish to memorialize the terms and conditions of the Manager's employment by the Borough, including benefits, conditions of employment, and working conditions.

Section I: DUTIES

The Manager shall be employed by the Haines Borough and hold the title 'Borough Manager.' The Manager shall perform all duties and discharge all responsibilities of that position as prescribed by the laws of the State of Alaska, the Charter of the Haines Borough, the Haines Borough Code, the direction of the Borough Assembly and the most recent description for the position (attached.) The Manager reports to the Mayor and the Borough Assembly and shall maintain residency within the Haines Borough during the entire term of this Agreement.

In addition to the standard Haines Borough Financial Disclosure Statement, the Manager shall disclose any financial interest in, or income received from any company or business operating within the Haines Borough.

Section II: COMPENSATION

- A. Salary.** In return for services, the Manager shall receive an annual salary of \$130,000 payable in installments in accordance with the Borough's code and customary practice. Merit increases in pay for the manager shall be considered by the assembly at the sole discretion of the Assembly.

- B. Exempt Position.** The Manager acknowledges the position of Borough Manager is salaried and exempt from overtime requirements. The Manager understands and agrees she is exempt under the Fair Labor Standards Act (FLSA) and the Borough and Manager further acknowledge that, while the Manager will often be required to work in excess of 40 hours per week and 8 hours per day, the Manager shall have the flexibility in scheduling the performance of her duties that is customarily afforded to salaried, exempt administrative employees. Both parties agree this position is not appropriate for remote employment.

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C. Union. The Manager is an officer of the Borough and, as such, shall not be a member of the borough employee's union or subject to the collective bargaining agreement.

D. Benefits.

1. **Health Insurance.** The Borough shall provide for health care insurance for the Manager through the Borough's group health insurance policy. The Manager shall pay a share of the monthly premiums equal to the share paid by all Borough employees. The Borough shall pay the balance of the monthly premium.
2. **Retirement.** The Borough shall contribute the Borough's share of contributions to the Alaska Public Employees' Retirement System (PERS) on behalf of the Manager.
3. **Leave.** The Manager shall accrue 20 working days (160 hours) of personal leave per year. Personal leave accrued but not used shall accumulate to a maximum of 480 hours. The Manager shall take at least 10 working days (80 hours) off per fiscal year, five of which must be taken consecutively. Any request for leave exceeding two consecutive weeks must be approved by the Borough Assembly. The Manager may cash in accrued unused personal leave, provided the request does not result in a personal leave balance of less than 80 hours. In addition, upon resignation or termination the Manager may cash in up to 80 hours of accrued unused personal leave. In addition to personal leave, the manager shall be entitled to 5 days (40 hours) of executive leave per HBC 2.86.
4. **Holidays.** The Manager shall receive as paid holidays, not chargeable as leave time, the same holidays provided to Borough Employees under HBC 2.76.170.
5. **Moving Expenses.** The Haines Borough Assembly will make a good faith effort to negotiate reimbursement of Manager's reasonable moving costs from Juneau to Haines following successful completion of the initial term.

E. Professional Development. The Borough shall budget and provide for the Borough Manager's selective participation in national, regional, state and local organizations necessary and desirable for the Borough Manager's participation in professional associations, including but not be limited to the International City/County Management Association (ICMA), Alaska Municipal Management Association (AMMA), and American Society of Public Administrators ongoing certifications and Alaska Municipal League. All activities included in this section shall be budgeted for annually and are subject to Assembly approval. The Borough shall budget and pay necessary and

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reasonable registration, travel and subsistence expenses of the Manager for meetings to continue professional development and participation in official committees on which the Borough Manager serves as a member.

- F. **Technology**. The Borough shall provide office space for the Manager with the customary tools necessary to perform the job and maintain communication including, but not limited to, a computer, software, Internet, and smartphone.

Section III: PERFORMANCE EVALUATIONS

The Manager's performance shall be formally reviewed and evaluated by the Assembly after completion of 3 months of employment and again after 9 months of employment. Said review and evaluation will be based on the Manager's overall job performance. The Assembly shall provide the Manager with a summary written evaluation statement and provide an adequate opportunity for the Manager to discuss her evaluation with the Assembly. Thereafter, formal evaluations shall be annual.

Section IV: TERM, TERMINATION AND SEVERANCE PAY.

A. **TERM.**

1. **Initial Term**. The Borough hereby employs Ms. Kreitzer in the capacity of Borough Manager for an initial term of one year, commencing on October 1, 2021, and terminating on September 30, 2022.
2. **Contract Extensions**. Upon receipt of a satisfactory performance evaluation after 9 months of employment, the contract term shall be extended for an additional 2 years terminating on September 30, 2024.

B. **TERMINATION.**

This agreement and the Manager's employment under this agreement are terminable at will and at any time during the initial or extended term by the Borough Assembly subject to the provisions of this contract. Termination without cause may occur without any notice of any kind whatsoever, it being expressly and explicitly understood by the Manager that she holds her position at the will of the Borough Assembly. The Manager understands and agrees that no representations or course of conduct by the Borough Assembly will establish any legally enforceable expectation of continued employment by the Borough.

1. The Manager shall provide the Borough Assembly with written notice of her resignation no less than sixty (60) days prior to the effective date of her resignation or

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expiration of this employment agreement. If the Manager quits or resigns without providing such notice, then the Manager shall forfeit all benefits which the Manager otherwise may be entitled to receive under this Agreement.

2. Dismissal and grievance procedures for borough employees provided in the Haines Borough Code shall not apply to the termination of the Manager's employment by the Borough Assembly.
3. If the Borough Assembly terminates the Manager's employment with cause, or if the Manager terminates her employment, regardless of cause, then the Manager shall receive no severance pay. For purposes of the Agreement, any of the following shall constitute "cause" for termination:
 - a. The Manager's failure to satisfactorily perform her duties in accordance with the provisions of this Agreement, or establish or maintain Haines Borough residency as required by this Agreement;
 - b. The Manager's failure to obey any lawful directive of the Assembly;
 - c. The Manager's willful failure to comply with the Charter of the Haines Borough Charter or the Haines Borough Code;
 - d. Conduct which the Borough Assembly reasonably believes reflects adversely on the Manager's position or on the Borough, including but not limited to:
 - i. acts involving dishonesty;
 - ii. fraudulent acts;
 - iii. embezzlement; or
 - iv. substance abuse.
4. **No termination with or without cause shall occur unless the Borough Assembly has consulted with the Borough Attorney regarding the termination prior to taking action.**
5. Termination with cause shall proceed as follows:
 - a. The Borough shall provide a written notice of the Borough's intent to terminate for cause to the Manager ("Notice"). The Notice shall:
 - i. specify the reasons termination with cause will be considered
 - ii. state the date and time the Borough Assembly will consider termination for cause
 - iii. state the intended effective date of the termination
 - iv. offer the Manager the opportunity for a pre-termination hearing to be held immediately prior to the time the Borough Assembly will consider termination.

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- b. Notice shall be provided at least three (3) business days prior to the date the Borough Assembly will consider termination.
 - c. At the time Notice is provided the Borough may place the Borough Manager on paid leave effective immediately. Any paid leave shall expire on the day after the pre-termination hearing.
 - d. If the Manager wishes to participate in a pre-termination hearing the Manager shall notify the Borough Mayor no later than twenty-four (24) hours after receiving the Notice. The Manager's notice shall indicate whether the Manager wishes the pre-termination hearing to be held in public. Failure to notify the Borough shall be a waiver of the Manager's right to a pre-termination hearing. If the Manager does not request the pre-termination hearing to be held in public the hearing shall be held in executive session.
 - e. At the pre-termination hearing the Manager may be represented by counsel and shall have the right to present witnesses but shall not have the right to cross examine or question any member of the Assembly or any witness.
 - f. At the conclusion of the pre-termination hearing the Borough Assembly may take action in public session.
- C. **Severance Pay.** In the event the Borough Assembly terminates the Manager's employment without cause during the initial term, the Borough shall pay the Manager severance pay of one month's salary. In the event the Borough Assembly terminates the Manager's employment without cause following completion of the initial term, the Borough shall pay the Manager severance pay of four month's salary. For the purpose of this section, severance pay shall mean an amount equal to one month or four months prorated salary as applicable and all cashable leave the Manager is otherwise entitled to as of the date of termination under Section II (Compensation) of this Agreement. Severance pay shall be subject to all applicable local, state, and federal withholdings.
- D. **Termination Due to Charter Amendment:** If the voters of the Haines Borough approve an amendment to the Charter of the Haines Borough that has the effect of abolishing the office of Borough Manager, the Manager's employment shall be treated as terminated without cause as of the effective date of the Charter amendment, and the Manager shall be entitled to severance pay for a termination without cause as provided in this Agreement; *provided, however,* that the Manager shall not be entitled to severance pay if the Borough offers the Manager immediate reemployment within 30 days after the effective date of the Charter amendment in another Borough position with pay and benefits at least equal to pay and benefits received by the Manager immediately before the effective date of the Charter amendment.

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Section V: OTHER EMPLOYMENT

It is recognized that the Manager must devote a great deal of time outside normal Borough office hours to the business of the Borough. Normal Borough office hours hereunder shall be construed to mean Monday through Friday (excluding Borough holidays), an 8-hour period sometime between 7:00am and 7:00pm. The Manager shall not undertake employment with any person or entity other than the Borough without prior approval of the Borough Assembly. Pre-existing corporate office duties and responsibilities are acknowledged and communication with business associates in matters deemed critical to those offices is allowed.

Section VI: INDEMNIFICATION

- A. The Borough shall defend and indemnify the Manager against any and all losses, damages, judgments, interest, settlements, fines, court costs, and other reasonable costs and expenses of legal proceedings including attorney's fees, and any other liabilities incurred by, imposed upon, or suffered by the Manager in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of the Manager's duties. PROVIDED HOWEVER, that the Borough shall NOT be obliged to Indemnify, hold harmless or defend the Manager against any such claim or liability arising out of or resulting from acts or omissions that, in the sole judgment of the Borough, may occur or that may be alleged to have been caused by the Manager while acting outside the course of performing her official duties, or from any false, deceptive, dishonest or criminal act or omission under the laws and regulations of the United States of America, the state of Alaska or any political subdivision thereof.

- B. The borough shall bear the full cost of any fidelity or other bonds required of the Manager under any law or ordinance,

Section VII: GENERAL PROVISIONNS

- A. Any controversy or claim arising out of or related to this Agreement or the breach thereof shall be governed by the laws of the state of Alaska, and the Haines Borough, Alaska, and the forum for any legal proceeding thereon shall be the Superior Court for the State of Alaska, First Judicial District. The Manager agrees that venue for trial in any such action shall be in Haines, Alaska.

- B. This Agreement constitutes the entire Agreement between the Manager and the Borough, supersedes all prior oral and written understandings, if any, between the Borough and Annette Kreitzer, Borough Manager, which shall terminate as of the effective date of this Agreement.

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- C. Any amendment to this Agreement must be in writing and signed by both parties to be effective. The Manager understands and agrees that no Borough employee, nor the Mayor nor any individual member of the Assembly, has any authority to make any promises to the Manager, or any authority to modify or alter the terms and conditions of this Agreement.

Except as required by this Agreement, or the laws of the state of Alaska, the Charter of the Haines Borough or the Haines Borough Code, the Borough's generally applicable personnel and employment policies and rules shall apply to the Manager's employment under this Agreement.

Section VIII: MEDIATION

As a condition precedent to filing any action in court with respect to any dispute arising out of or relating to this Agreement or arising out of or relating to the Manager's employment with the Borough, the Manager agrees to submit that dispute to mediation with a professional mediator mutually agreed to by the Manager and the Borough, and the Manager agrees to make a good faith effort to resolve the dispute in mediation.

Section IX: ACKNOWLEDGEMENT OF REPRESENTATION

The Manager acknowledges she has had a full opportunity to consult with attorneys of her choice before signing this Agreement. The Manager acknowledges she is not relying on any statements or representations made by any employees, representatives, officers, consultants, the Mayor, or Assembly members of the Borough in entering this Agreement, and she further acknowledges that she has not received and is not relying on any legal advice or representations by the Borough attorneys.

Section X: NOTICES

Notices pursuant to this Agreement shall be given by personal delivery, email transmission, or by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Borough:

Haines Borough Clerk
Haines Borough
P.O. Box 1209
Haines, Alaska 99827
afullerton@haines.ak.us

Manager:

Annette Kreitzer
9440 Patricia Place
Juneau, AK 99801
akreitzer.ak@gmail.com

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Notice shall be deemed given as of the date of personal service, email transmission, or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

IN WITNESS WHEREOF, the Haines Borough Assembly has caused this Agreement to be signed and executed on the Borough Assembly's behalf by its Mayor and duly attested to by its Borough Clerk, and Annette Kreitzer has executed this Agreement for and on behalf of herself, on the day and year first written below.

THE UNDERSIGNED HAVE READ THIS AGREEMENT CAREFULLY AND HAVE HAD THE OPPORTUNITY TO HAVE THE AGREEMENT FULLY EXPLAINED BY THEIR RESPECTIVE ATTORNEYS. THE UNDERSIGNED FULLY UNDERSTAND THE BINDING EFFECT OF THIS AND ACKNOWLEDGE THAT THEY SIGN IT VOLUNTARILY.



Douglas Olerud, Mayor

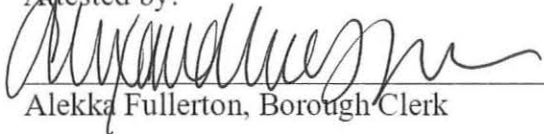
Date Signed: 8/27/2021



Annette Kreitzer

Date Signed: 8-16-21

Attested by:


Alekka Fullerton, Borough Clerk

