

**WEST SOUND UTILITY DISTRICT  
RESOLUTION 674-17**

**A RESOLUTION OF THE  
WEST SOUND UTILITY DISTRICT BOARD OF COMMISSIONERS  
APPROVING THE GENERAL MANAGER'S EMPLOYMENT  
AGREEMENT**

**WHEREAS**, Michael Wilson was hired on June 1, 2011, by West Sound Utility District to work as the District's General Manager; and

**WHEREAS**, Mr. Wilson submitted a letter to the Board of Commissioners on April 30, 2017 announcing his retirement on June 30, 2017; and

**WHEREAS**, Mr. Wilson has been in retirement with the Washington State Retirement Systems for a period that exceeds thirty (30) days; and

**WHEREAS**, it is the desire of Mr. Wilson to return to work and interest of the District to retain the services Mr. Wilson as the District's General Manager for a limited timeframe; and

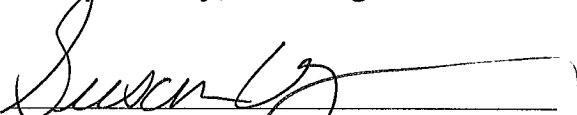
**WHEREAS**, in order to accomplish the mutual interests of the District and Mr. Wilson, an employment agreement for Mr. Wilson has been prepared for the Board of Commissioners approval; NOW, THEREFORE,

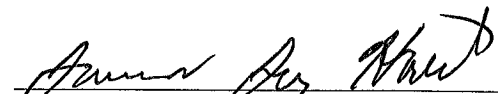
**THE BOARD OF COMMISSIONERS OF WEST SOUND UTILITY DISTRICT HEREBY RESOLVES:**


Section 1. West Sound Utility District Board of Commissioners hereby approves the employment agreement for Michael Wilson (Exhibit "A").

**APPROVED and ADOPTED** by the Board of Commissioners of West Sound Utility District at a Board meeting scheduled on July 31, 2017.

**WEST SOUND UTILITY DISTRICT**  
Kitsap County, Washington

  
\_\_\_\_\_  
Susan Way  
Chairperson

  
\_\_\_\_\_  
James J. Hart  
Vice Chairperson

  
\_\_\_\_\_  
Jerry Lundberg  
Secretary

**GENERAL MANAGER EMPLOYMENT AGREEMENT**

**THIS AGREEMENT** is entered into on this 31<sup>st</sup> day of July, 2017, by and between the West Sound Utility District, a municipal corporation (hereinafter referred to as "District") and Michael R. Wilson (hereinafter referred as "Mr. Wilson").

**WHEREAS**, Mr. Wilson has served as the District's General Manager from July 1, 2011 until June 30, 2017, when Mr. Wilson made the decision to retire; and

**WHEREAS**, Mr. Wilson has been in retirement for a term that exceeds thirty (30) days, thus making him eligible to return to work; and

**WHEREAS**, it is the desire of the District's Board of Commissioners (Board) to secure services from Mr. Wilson as General Manager for a period of up to one additional year; and

**WHEREAS**, Mr. Wilson desires to return to the District as General Manager for this limited period of time;

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the District and Mr. Wilson agree as follows:

**Section 1. Continuation of Employment**

The District hereby agrees to secure the employment of Mr. Wilson as General Manager and the District hereby agrees to accept such employment in accordance with the terms and conditions of this Agreement as hereinafter set forth and shall continue such work for the District.

**Section 2. Duties**

Mr. Wilson shall perform the duties of General Manager as specified in Exhibit "A" of this Agreement and as set forth in the Personnel Regulations of the District, and perform other legally permissible and proper duties and functions as the District Commissioners shall from time to time assign.

**Section 3. Term**

The term of this Agreement shall commence effective August 1, 2017, and terminate on June 30, 2018. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the service of Mr. Wilson at any time, subject to the provisions of this Agreement.

**Section 4. Termination and Severance Pay**

A. Termination "Without Cause"

In the event Mr. Wilson is terminated by the District for any reason other than "for cause" during such time that Mr. Wilson is willing and able to perform his duties under this Agreement, then in such event the District agrees to pay Mr. Wilson a lump sum cash payment

equal to two (2) months of pay and deferred compensation, or in the alternative, provide Mr. Wilson two (2) months written notice of termination of employment. In consideration of such payment and ongoing benefits, Mr. Wilson agrees to execute a release of all claims he has or may have against the District, its elected or appointed officers, employees or agents, for any claim(s) arising out of his employment or his termination of employment with the District.

**B. Termination "For Cause"**

The District shall have no obligation to pay the aggregate severance sum designated above in the event the employment of Mr. Wilson with the District is terminated "for cause". The term "for cause" shall mean any of the following: 1) conviction of a felony, 2) conviction of any misdemeanor involving moral turpitude, 3) any act of theft, 4) any dishonest or disgraceful conduct which would tend to substantially diminish his reputation in the community, or legally prohibited prejudicial conduct, 5) unsatisfactory or incompetent performance of his duties as General Manager based on performance evaluations conducted by the District, 6) mental or physical disability which prevents him from effectively performing his duties as General Manager for a period of thirty (30) days or more without prior Board approval, 7) any conduct which would tend to substantially injure the reputation of the District, and/or 8) dereliction of his duties as General Manager.

**C. Termination by Mr. Wilson**

In the event Mr. Wilson voluntarily resigns this position with the District, Mr. Wilson shall give the District a minimum sixty (60) days written notice in advance of departure from the District, unless the parties otherwise agree. In the event Mr. Wilson leaves employment prior to the end of the sixty (60) day notice period, Mr. Wilson shall forfeit \$200 in compensation for each work day of early departure.

**Section 5. Disability**

If Mr. Wilson is disabled or otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four consecutive weeks beyond any accrued sick leave, or thirty (30) working days over a forty-five (45) working day period, the District shall have the option to terminate this Agreement.

**Section 6. Compensation**

Commencing on August 1, 2017, the District agrees to compensate Mr. Wilson for his services at a rate of eighty five dollars (\$85) per hour.

**Section 7. Hours of Work**

Mr. Wilson's work schedule shall generally be on a 35-40 hour per week basis. Mr. Wilson is an exempt employee under the terms of the Fair Labor Standards Act and he shall not be compensated for overtime work.

**Section 8. Medical Benefits**

The District shall not provide Mr. Wilson with health care insurance. Mr. Wilson shall be responsible for securing his own insurance.

**Section 9. Vacation, Holidays, Sick Leave, Retirement, Other Benefits**

Mr. Wilson shall not be eligible for or receive vacation leave, holidays, sick leave, retirement or any other benefits provided to District staff, unless specifically identified with this professional services agreement.

**Section 10. Cell Phone**

Mr. Wilson shall be responsible for providing his own cell phone for District business use. Mr. Wilson will not be compensated by the District for any cell phone purchase and monthly service costs.

**Section 11. District Vehicle**

Mr. Wilson shall be provided a District vehicle which shall be used only for official business and work commuting, except it is recognized it may be necessary for him to use the vehicle for isolated and incidental personal usage from time to time.

**Section 12. Professional Development, Travel and Dues**

The District agrees to budget and pay for the professional dues of Mr. Wilson necessary for his participation in the Washington Association of Sewer and Water Districts (WASWD), Washington City/County Management Association (WCMA) and International City/County Management Association (ICMA) and maintain his ICMA credentialed manager's certification. The District agrees to budget and pay for travel and subsistence expenses of Mr. Wilson for professional and official travel, meetings and occasions adequate to continue professional development of Mr. Wilson, including attendance at the WASWD, WCMA and ICMA conferences. Attendance at conferences shall be at the convenience of the District and upon approval of the Board. Mr. Wilson shall not be compensated for the time traveling to/from and attending such conferences.

**Section 13. Indemnification**

The District shall bear the full cost of any fidelity or other bonds required of Mr. Wilson under any law or ordinance and provide professional liability insurance to cover actions taken by Mr. Wilson during the course and scope of his employment.

**Section 14. General Provisions**

- A. Mr. Wilson agrees that his position is a managerial position and that he will occupy a position of confidentiality involving personnel, labor relations and legal matters.
- B. Mr. Wilson shall perform his duties as the District's General Manager to the highest standards of conduct by adhering to the ICMA's Code of Ethics.
- C. Mr. Wilson shall be permitted to perform other work on his time off (such as consulting or teaching) provided such work does not conflict or interfere with his employment with the District, does not exceed more than 10 (ten) hours per week, and receive prior Board approval.

- D. Mr. Wilson shall be permitted to serve on any appointed or volunteer board and commission, provided such appointment does not interfere with his duties as General Manager and is not a violation of the ICMA's Code of Ethics.
- E. If any provision of this Agreement is held to be in violation of the law or otherwise invalid for any reason, or should any portion of this Agreement be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of the Agreement or its application.
- F. The parties further agree that this Agreement cannot be amended or modified without the written concurrence of both parties.

**Section 15. Notice**

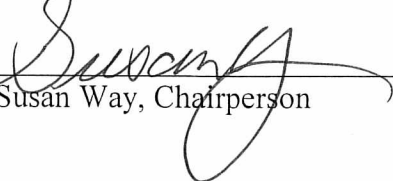
Any notices required to be given by the District to Mr. Wilson or by Mr. Wilson to the District shall be delivered to the following parties at the following addresses:

Board of Commissioners  
 West Sound Utility District  
 2924 SE Lund Ave.  
 Port Orchard, WA 98366

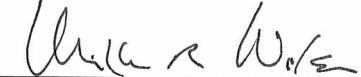
Michael R. Wilson  
 5816 18<sup>th</sup> St. Ct. NW  
 Gig Harbor, WA 98335

Any notice may be either delivered personally to the addressee of the notice or may be deposited in the United States mail to the address set forth above. Any notice so posted in the United States mail shall be deemed received three (3) days after the mailing.


**WEST SOUND UTILITY DISTRICT**

  
 \_\_\_\_\_  
 Susan Way, Chairperson

**GENERAL MANAGER**

  
 \_\_\_\_\_  
 Michael R. Wilson

Approved as to Form:

  
 \_\_\_\_\_  
 District's Attorney