Employment Agreement

THIS AGREEMENT made and entered into on this 10 day of April 2023 between Cannon Beach Rural Fire Protection District, Clatsop County, Oregon, a duly formed Rural Fire Protection District under ORS Chapter 478, hereinafter referred to as "District," and Marc Reckmann, Fire Chief/Chief Executive Officer, hereinafter referred to as "Chief."

It is hereby agreed as follows:

Section I Employment

The District hereby employs the Chief, and the Chief accepts employment pursuant to the terms and conditions of this Agreement. All prior agreements, oral or written, are terminated by the execution of this Agreement and have no further force or effect unless expressly stated herein.

Section II Term/Non-Renewal

The initial term of this Agreement shall begin on July 1, 2023and shall terminate on June 30, 2028. This Agreement will automatically extend from year to year unless the District or the Chief issues a letter of intent not to renew at least 60 days prior to the expiration date of any period.

Section III Duties

Employee's title is Fire Chief/Chief Executive Officer (CEO) and in consideration of the compensation and benefits to be paid by the District, the chief hereby agrees:

- A. To initiate, administer and supervise all services of the District.
- B. To initiate, administer and supervise all functions and programs of the District.
- C. To supervise the maintenance and upkeep of all facilities and equipment owned or maintained by the District, and to recommend to the District the acquisition of new or sale of used equipment and facilities.
- D. To administer the adopted budget and keep and maintain proper fiscal records for the District and cause an annual budget to be produced in a timely manner.
- E. To hire, (appoint) supervise and terminate all personnel necessary to carry out the business of the District.
- F. To perform all functions necessary to completely and fully administer the District in accordance with the directives, policies and procedures of the District.
- G. To perform and participate in on-going professional development training and attend conferences and seminars appropriate to the Fire Chief position.

The Chief shall be bound by all rules, regulations and policies now in existence or hereinafter adopted by the Board of Directors of the District and shall administer the affairs of the District in accordance therewith and pursuant to the laws of the State of Oregon.

Section IV Evaluation

The Chief, in carrying out his responsibilities, shall demonstrate the following:

- A. Ability to cooperate with the District Board of Directors, community leaders and citizens, peer organizations and neighboring cities, as well as other special districts and the County;
- B. Ability to effectively communicate;
- C. Ability to effectively lead district employees and volunteers;
- D. Good work habits as an example to members/employees;
- E. Full and efficient utilization of all facilities and services;
- F. Management skills necessary to maximize the fire/medical services made available to the patrons while minimizing the cost to the taxpayers.

The Board of Directors shall do a performance review based upon the above criteria and overall performance of job duties. The first review will be completed by June 30, 2020, and as soon as practical following the end of the evaluation period of April 1 – March 31 each year. It is the duty of the Chief to meet with the Board President and establish a time and place for the annual evaluation. The procedures for evaluation will be adopted by the District in accordance with the open meetings laws of the State of Oregon, District policies, or a combination thereof, as applicable.

This provision does not limit the Board of Directors number of additional evaluations, either formal or informal, as the Board determines are in the best interest of the District.

Section V Compensation

The District shall compensate the Chief as set forth below:

- A. Salary: Chief's base annual salary shall be in accordance with the District's adopted pay scales.
- B. The annual base salary of this Agreement is subject to annual negotiations following the annual performance review of the Chief. In any event, the base salary of the Chief shall not be adjusted lower than the amount indicated in the original Agreement signed and dated April 10, 2023, except as noted in Sections VIII and IX below.
- C. An annual COLA may be calculated into the annual percentage increase providing the adopted budget authorizes said COLA.

Section VI Benefits

The following items A through J are hereby identified as benefits for the purposes of this Agreement. Benefits are further defined in Addendum "A."

- A. Legal Defense for Job related Claims
- B. Vacation/Holidays
- C. Life Insurance
- D. Disability/Sick Leave
- E. Funeral Leave
- F. Health and Welfare
- G. Salaries
- H. Education and Affiliation
- I. Automobile/Auto Expense
- J. Use of District Property

The listing of benefits set out in this paragraph and in Addendum "A" describes the major benefits included in this Agreement. Other benefits may apply as outlined in policies adopted by the District.

Section VII Extent of Service

It is understood that the uniqueness of the work to be performed by Chief requires that it be define what constitutes Employment", and what this contractual Agreement allows.

The Chief shall devote his time, attention and energies to the Fire Districts business in the performance of his duties as Fire Chief. As Fire Chief, he is the (CEO) Chief Executive Officer for the District in accordance with the policies as set forth by the Board of Directors. During the term of this agreement, the Chief shall not be engaged in any activities which may interfere with his current duties.

It is expected that Chief as the Fire District's chief executive officer, shall devote the hours per week necessary to perform his duties. Chief may regulate his hours while not negatively impacting the fulfillment of his duties.

Section VIII Types of Discipline

The District's general disciplinary policies do not apply to the Chief. In the event the District deems it necessary to issue discipline to the Chief, that discipline may include performance improvement and/or corrective action plans, reprimands, suspensions (only in conformance with the Fair Labor Standards Act relating to an exempt position), prospective reduction in pay, or termination, depending upon the severity of the offense or actions involved. The Chief shall have the choice of public or confidential disciplinary proceedings. All discipline processes will be conducted in accordance with the Oregon Open Meetings law, as applicable.

Section IX Grounds and Process for Discipline and Termination

- A. The Chief's employment may be terminated under this Agreement "at will." The Chief is, at all times, an "at will" employee who can be terminated at any time, with or without cause. Nothing in this agreement is to be interpreted as changing the Chief's status as an "at will" employee. As the Chief Executive Officer, the Chief is in the highest operational and administrative position in the organization and is, therefore, held to higher standards of performance and attitude than other employees. In most cases of misconduct committed by an employee at this level, either counseling or discharge would be warranted, but intermediate levels of disciplinary action would be rare.
- B. Nothing in this agreement shall be construed to include any special rights of the Chief, norobligations on the part of the District, if the contract is not renewed pursuant to the terms set forth in Section II.
- C. Except as provided in IX.B. above, the District may also terminate employment of the Chief following the grounds and process set forth herein.
 - (1) Termination Without Cause by District.

The District may terminate this Agreement at any time upon 15 days' written notice to the Chief. In such event, the Chief, if requested by the District, shall continue to render his services and shall be paid his regular compensation up to the date specified in the termination. The Chief shall be paid on the date of termination a severance allowance of 3 months compensation and benefits, less all amounts required to be withheld and deducted. In addition, the Chief shall be entitled to compensation for all earned but unused vacation, accrued holiday and personal time, subject to the general guidelines of the District. The Chief acknowledges that this contract provision cannot be changed or modified by any statement or policy of the District which would tend to indicate that he may not at any time be dismissed without cause, or that the Chief is other than an "at will employee." Acceptance of severance pay by the Chief shall constitute a waiver and release of all claims of the Chief and any persons legally entitled to assert claims as a result of the Chief's dismissal, against the District, its directors, employees, volunteers, agents, or representatives, whether known or unknown to the Chief at the time such severance pay is accepted.

(2) Termination for Cause

"Cause" for termination includes, but is not limited to:

- a. Commission of any criminal act of fraud, dishonesty, misappropriation of funds, embezzlement, immoral conduct, or other misconduct in the rendering of services on behalf of the District.
- b. Current illegal use of drugs, substance abuse, or being impaired due to the use of alcohol or any legal drug while on duty;

(3) Grounds for Discipline

"Cause" for discipline-but is not limited to:

- a. Intentional or repeated failure to comply with legal requirements or with the District's policies or directives.
- b. Repeated discourteous treatment of employees, subordinates, volunteers or the public; or
- c. Failure or refusal to faithfully, diligently and effectively perform any of the provisions of this Agreement.

D. Disability.

If the Chief is permanently disabled or is otherwise unable to perform his duties because of a non-work-related sickness, accident, injury, mental incapacity or health, for a period of 90 days beyond any accrued sick leave, vacation, or other authorized leave, the District shall have the option to terminate this Agreement, subject to the requirements of Section IX.A. and without any obligation on the part of the District to provide severance pay.

E. Termination by Chief.

The Chief shall have the right to terminate this Agreement at any time by giving 60 days' notice thereof, in writing, to the District. In such event, the Chief shall continue to render services and be paid regular compensation and benefits up to the date of termination.

Section X Waiver of Breach

Waiver by the District of any breach of any provision of this Agreement shall not operate nor be construed as neither a waiver of any subsequent breach nor a waiver of this provision.

Section XI Amendments

Neither amendment nor variation of the terms and conditions of this Employment Agreement are valid unless the same is in writing, references this Agreement, and is signed by both parties.

Section XII Exclusive Term/Assignment

The provisions of this Agreement are for the benefits of the parties solely, and not for the benefit of any person, persons or legal entities. Neither this Agreement nor any rights hereunder may be assigned by either party.

Section XIII Severability/Scope

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, all other provisions shall remain in full force and effect. If any provision is found to be overbroad in scope or duration, the breadth of the provision shall be reduced to the maximum allowable by law.

Section XIV Representation

At all times, the District has been represented by its attorney. The Chief acknowledges that the Chief, always, had the right to and the availability of independent counsel of the Chief's choosing regarding this Agreement, whether or not the Chief chose to exercise that right.

Section XV Paragraph Headings

Headings are used solely for convenience and are not to be used in construing or interpreting the Agreement.

Section XVI Governing Laws

The laws of the State of Oregon shall be used at all times to interpret and govern the interpretation in enforcement of this Agreement.

Section XVII Entire Agreement

The parties agree that this instrument represents the entire Agreement between the parties, and that all prior representations, promises or statements merge with the written Agreement and, unless specifically set out herein, are not enforceable.

IN WITNESS WHEREOF, the District, acting through its Board of Directors has authorized this Agreement to be signed and executed on this 13 day of February 2023. The Chief has executed this Agreement on the date entered below. Each party acknowledges receipt by their signature of a signed copy of the Agreement.

| DISTRICT: | CHIEF: |
|------------------------------|---------------------------------|
| By | |
| Bob Cerelli, Board President | Marc Reckmann, Fire Chief (CEO) |
| Attest: | Date: |
| Bob Heymann Board Secret | ary/Treasurer |

ADDENDUM A Wage and Benefits

For

MARC RECKMANN FIRE CHIEF

July 1, 2023 through June 30 2025

A. Legal Defense

Section A.1 The District shall provide, at no cost to the Employee, an attorney of the District's choice, to defend the Employee who may become a defendant in a civil action or proceeding against that employee, which arises out of an alleged act of omission in the performance of duty, in accordance with ORS 30.287. The attorney provided may also defend the District in the same or similar proceedings to the extent that no actual conflict of interest exists.

Section A.2 The District shall provide for one million dollars (\$1,000,000.00) of liability insurance coverage on the Employee, for civil actions as described in Section A.1 subject to the limitations and exclusions of any policy chosen by the District.

B. Holidays and Vacation Time

Section B.1 Years of service for the accrual of vacation time shall be determined by the Employee's anniversary date.

Section B.2 The Employee shall receive vacation time as follows:

Vacation will be granted each January at a rate of 240 hours per year, but will not exceed a total of 360 hours in the chief's vacation bank.

Section B.3 Vacation shall be granted in any combination of days. In the event the Employee terminates his employment, or is terminated without cause, or due to death, retirement, or disability, the Employee or the Employee's beneficiary shall receive full pay for all unused vacation time from prior years and for all unused vacation time from the current year on a prorata basis.

CHIEF EMPLOYMENT AGREEMENT - ADDENDUM A

Section B.4 The Employee is given the following holidays off with pay:

- 1. New Year's Day
- 2. MLK Day
- 3. Memorial Day
- 4. Independence Day
- 5. Labor Day
- 6. Thanksgiving Day
- 7. The day after Thanksgiving
- 8. Christmas Day

C. Life Insurance

Section C.1 The District shall maintain, at no cost to the Employee, a term life insurance policy insuring employee in the amount of one hundred thousand dollars (\$100,000.00).

Section C.2 The District shall furnish the Employee with a written description of all such insurance.

D. Disability and Sick Leave

Section D.1 Accumulated sick leave shall be paid to the Employee when he is unable to report to work because of illness or injury not covered under the Oregon Worker's Compensation Law. Sick leave will not be paid to the Employee injured while working for wages on a job outside of his employment with the District.

Section D.2 A complete and accurate record shall be kept at all times of the accumulation of the Employee's sick leave.

Section D.3 The District may require sick slips from physicians at its discretion.

Section D.4 Sick leave to attend an ill family member shall be limited to the period that the Chiefs attendance is required, not to exceed five consecutive days, in order to arrange for the care of such ill family member. Any additional time needed may be granted at the Boards discretion. Any such leave shall be charged to the Chiefs sick leave or accrued time on the books. Family members for this section shall be defined as those individuals identified as the Chiefs immediate family.

Section D.5 Upon written application by the Chief, additional time may be granted by the District for the remaining period of disability after accrued sick leave has been exhausted. The District may require a physician's report of progress periodically during the period of such disability. Section D.6 The Chief is granted 600 hours sick leave upon hire.

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Section D.7 Sick leave in addition to Section D.6 shall begin to accrue on the first day of the Chiefs employment. Sick leave is accrued at the rate of eight (8) hours per month. Sick leave shall continue to accumulate during vacation and sick leave periods when the Employee is being paid by the District. Except as so provided upon retirement, unused sick leave shall not be paid upon termination of employment.

Section D.8 The District shall provide the Employee with Oregon Workers Compensation insurance or equal coverage at no cost to the Employee.

E. Funeral Leave

Section E.1 The Employee shall be granted up to five (5) days with pay, for the purpose of attending the funeral of an immediate family. Additional leave may be granted at the discretion of the Board to make final arrangements and to attend to the affairs of the deceased family member.

F. Health and Welfare

Section F.1 The District agrees to provide a health insurance plan to the Employee and family that fits within the budget and is acceptable to the employee; with coverage's equal to that provided to the other full-time employees of the District. The District and the Chief will to continue to look at more fiscal options of health insurance.

Section F.2 No loss of health and welfare benefits will occur when the employee is on paid sick leave.

G. Salaries

- Section G.1 The District shall furnish and provide all equipment as required and deemed necessary by the District. Such equipment shall be provided at no cost to the Employee.
- Section G.2 The District shall make the appropriate payroll deductions for payroll direct deposit as otherwise arranged by the District.
- Section G.3 The Chief shall receive regular pay during service on jury duty for which he has been summoned, subpoenaed, or otherwise compelled to serve. The Chief shall report to work upon being excused from jury service as soon as possible after excused. The Chief shall notify the Board President immediately upon being summoned, subpoenaed, or otherwise compelled to serve.
- Section G.4 When the Chief is subpoenaed or required to appear as a witness or party in any proceeding arising out of the Chiefs employment, or out of the operation of the District, except litigation brought by or on behalf of the Chief, he shall receive regular salary.
- Section G.5 Payroll shall be made in accordance with the established District policy for all Page 10 of 12

employees.

Section G.6 Appropriate Class A and Class B uniform will be provided as per current District policy.

Section G.7. The District will subscribe to the Oregon Public Employees Retirement System (PERS) and enroll the Employee in PERS. The District shall pay employee portion of PERS contribution.

Section G.8. Salary is outlined in section V, line A of this contract.

H. Education/Affiliation

Section H.1 The District will provide expenses and time off regular duties for the Chief to participate in the following educational and professional association activities in accordance with District policy:

- (1) Oregon Fire Chiefs Association
- (2) National Fire Academy EFO and VIP courses
- (3) Open Learning Fire Service Program
- (4) Oregon Fire District Directors Association
- (5) Fire Officer Development Certifications
- (7) DPSST Training/Certifications

Section H.2 The District will provide expenses and time off regular duties for other educational and professional association dues when it is in the best interest of the District as determined by the Board of Directors.

I. Automobile/Auto Expenses

Section I.1 The District agrees to provide the Chief with transportation suitable for use while conducting District business. All transportation usage shall be subject to the District's standing Policies and Procedures as amended from time to time, to the extent such is not inconsistent with Section J. below.

J. Use of District Owned Property

Section J.l The Chief may use District property for personal use under certain terms and conditions. (As specified by District Policy) In recognition of the fact that the Chief is always on call, the Chief may use such property for more than de minims or otherwise allowed uses. For purposes of ethical duties and responsibilities of a public employee, compensation to the Chief shall include, without the

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necessity of prior approval, the personal use of District vehicles, cell phones, computers and office telephones, whether for long distance usage or otherwise as well as other property of the District while on duty or on call for the District. Any and all necessary documentation of such personal usage for tax purposes and responsibility for taxation on same, if any, shall lie solely and exclusively with the Chief.

K. Resident allowance:

The District agrees to provide assistance to the Fire Chief to develop a residence within the Cannon Beach Fire District by one of the following as available:

- 1. Pay for RV space at an RV park within the district up to 21 days
- 2. Allow for RV to be parks at Arch Cape Fire Station hooked up to district utilities on a temporary basis.
- 3. Provide \$1350 a month in additional salary to allow for a residence within 10 minutes of the main fire station.
- 4. Provide a residence by means of long-term lease or purchase by the District.

L. Job Position Description

Section L.1 The Fire Chiefjob position description is attached to and hereby made a part of this Addendum.

| DISTRICT: | CHIEF: |
|--|---------------------------------|
| By | |
| Bob Cerelli, Board President | Marc Reckmann, Fire Chief (CEO) |
| Attest: | Date: |
| Bob Heymann, Board Secretary/Treasurer | |