



MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT

To: Summit County Council

From: Scott Morrison, G.M.

Date: July 29, 2021

Subject: General Manager Contract

Dear Council Members,

My initial three-year contract with the District is set to expire on July 31st. Attached to this memo you'll find an updated contract for your consideration of approval. On July 15th, the District's Administrative Control Board voted in favor to recommend this contract for approval by the Council. Following their recommendation, a review was performed by the Summit County Attorney's Office. The substantive changes, compared against the expiring contract, are shown in red line form.

If you have any questions, feel free to contact me at 970-376-7866 or Mike Kobe, Chair of the District's Administrative Control Board, at 801-803-4716.

Thank you for your consideration and best regards,

Scott Morrison
General Manager

**MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT
GENERAL MANAGER
EMPLOYMENT CONTRACT**

THIS AGREEMENT is made and entered into this 4th day of August, 2021 by and between **MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT**, a political subdivision of the State of Utah (hereinafter referred to as "District"), whose address is 6421 N. Business Park Loop Rd. Suite A, Park City, UT 84098 and **SCOTT MORRISON** (hereinafter referred to as "Manager"), whose address is 2820 Hackney Ct., Park City, Utah 84060.

RECITALS

WHEREAS, the District desires to employ the services of the Manager as the Chief Executive Officer of the District through a written employment contract; and,

WHEREAS, the District desires to:

1. Provide certain benefits to Manager,
2. Establish certain conditions of employment,
3. Set working conditions for Manager,
4. Secure and retain the services of Manager and to provide inducement for him to remain in such employment,
5. Make possible full work productivity by assuring peace of mind on the part of Manager,
6. Provide deterrents against malfeasance or dishonesty for personal gain on the part of Manager, and
7. Provide a just means for compensation and for terminating Manager's service should he become unable to fully discharge his duties or when the District may desire to otherwise terminate his employment.

NOW, THEREFORE, in consideration of the mutual covenants herein contained,

Section 1: POWERS AND DUTIES

The District hereby agrees to employ Scott Morrison as the Manager of the Mountain Regional Water Special Service District to exercise powers and perform the duties specified in Summit County Code, **Title 2, Chapter 9**, as well as those duties and requirements enumerated in the attached job description which is incorporated by reference herein, and to perform other legally permissible and proper duties as the Summit County Council (as the governing body of the District) or the Administrative Control Board may from time to time assign not inconsistent with, or in conflict with, the provisions of this Agreement, Summit County Code, or state or federal law.

Section 2: TERM

The term of this Agreement shall be for a period of three (3) years from August 4, 2021 to July 31, 2024 (the "Term").

- a. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of District to terminate the services of Manager at any time, subject only to the provisions established by this Agreement. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Manager to resign at any time from his position with the District upon thirty (30) days written notice to the Administrative Control Board.
- b. In the event the District intends not to renew or renegotiate the Agreement with the Manager at the end of the term, the Manager shall be given a minimum of thirty (30) days written notice.
- c. The Manager agrees to remain in the exclusive employ of the District during the term of this Agreement. The term "employed" however, shall not be construed to include occasional teaching, writing, speaking, consulting performed on the Manager's time off, even if outside compensation is provided for such services. Said activities are expressly allowed, provided that in no case is any activity allowed which would present a conflict of interest with the District. *De Minimis* use of District's equipment (such as laptop computer) for such purposes is hereby authorized.

Section 3: TERMINATION AND SEVERANCE PAY

- a. Termination without Cause. In the event the Manager is terminated or asked to resign by the Administrative Control Board for any reason other than as set forth in paragraph (b) below, and the Manager is willing and able to perform his duties under this Agreement, then in that event the District agrees to pay Manager a lump sum cash payment equal to six (6) months aggregate salary and benefits ([identified in Section 9 of the District's Personnel Policies Manual](#)). The Manager shall also be compensated for all paid time off, deferred compensation and all other accrued benefits to date.
- b. Termination for Cause. In the event Manager is terminated with cause, which is defined for purposes of this contract as: (i) an intentional act or acts of dishonesty in the performance of your duties as an employee of the District that is injurious to the mission, financial condition, results of operations or reputation of the District, taken as a whole; (ii) any material breach of this Agreement; (iii) a material breach of your fiduciary duties to the District; (iv) your conviction, or

pleading of nolo contendere of any felony, or any misdemeanor involving moral turpitude; (v) your imprisonment for any reason; (vi) any act of fraud or willful misconduct in the performance of your duties hereunder; (vii) your repeated failure to obey the District's policies or the instructions of the Administrative Control Board; (viii) a disability as set forth in Section 5; or (ix) your repeated failure to perform your obligations and duties, then the District shall have no obligation to pay the severance indicated, except for items for which the Manager may be legally entitled.

- c. Resignation. In the event Manager voluntarily resigns as the General Manager of the Mountain Regional Water Special Service District, the District will be under no obligation to continue to compensate Manager after the date of resignation except for items for which the Manager may be legally entitled.

Section 4: COMPENSATION

- a. Manager's salary effective at the time of this Agreement shall be [\\$173,522](#) per year.
- b. Manager shall be paid installments at the same time as other employees of the District are paid.
- c. The District agrees to an annual increase in salary, which shall be consistent with and up to the [maximum](#) increase provided for all District employees in the annual budget.
- d. Manager shall be eligible for year-end bonus programs as may be applicable to other employees of the District as recommended by the Administrative Control Board and authorized by the Governing Body in the annual budget.

Section 5: DISABILITY

In the event the Manager is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity, or health for a period of six (6) successive months and has not or cannot obtain a medical release to return to work, the contract will be deemed terminated and no additional compensation or severance shall be paid as indicated in Section 3(b) of this Agreement.

Section 6: BENEFITS

- a. All provisions of the District's personnel policies, and other regulations, directives, policies, practices and procedures shall apply to Manager unless

otherwise provided herein. This shall include the following benefits as contained in the District's Personnel Policies Manual:

- (1) Health Insurance
- (2) Dental Insurance
- (3) Life Insurance
- (4) Retirement: Manager shall take retirement through Tier II Program of the Utah Retirement Systems ("URS").
- (5) 403B (if offered to all District employees)
- (6) Family and Medical Leave
- (7) Long Term Disability
- (8) Military Reserve Leave

- b. [Accumulation of vacation shall be at the maximum accrual rate per Section 9 of the District's Personnel Policies Manual.](#)
- c. The District shall provide [access to](#) a vehicle, [including](#) maintenance and fuel, for use by the Manager. Such benefit to be documented through IRS form 1099.

Section 7: HOURS OF WORK

It is recognized that the Manager must devote a great deal of his time outside normal office hours to business of the District, and to that end Manager will be allowed to take administrative time off as he shall deem appropriate during normal office hours.

Section 8: PROFESSIONAL DEVELOPMENT

- a. The District will provide through the budgeting process resources, as it deems appropriate, for Manager to attend seminars, short courses, professional association meetings, and similar functions for his continued professional development and for the good of the District. District agrees to pay for the Manager to attend conference/training the District determines the Manager should attend.
- b. District will provide through the budget process resources, as it deems appropriate, for the Manager to maintain professional association memberships that are held by Manager and any civic club memberships (e.g.; Rotary Club International) where the Manager participates.

Section 9: PERFORMANCE EVALUATION

The Administrative Control Board shall annually review the performance of the Manager in December of each year subject to a process, form, criteria, and format for the evaluation that shall be mutually agreed upon by the Administrative Control Board and Manager. The process at a minimum shall include the opportunity for both parties to: (1)

prepare a written evaluation, (2) meet and discuss the evaluation, and (3) present a written summary of the evaluation results. The final written evaluation should be completed and delivered to the Manager within 30 days of the evaluation meeting.

Section 10: INDEMNIFICATION

As required under Federal, State or Local Law, and at the express written request of the Manager, District shall defend, save harmless and indemnify Manager against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Manager's duties or resulting from the exercise of judgment or discretion in connection with the performance of those duties or responsibilities, unless the act or omission involved willful or wanton conduct. Legal representation for the Manager shall be provided by the District or their insurance carrier as may be required, but shall not be provided for allegations or determinations of willful or wanton conduct of the Manager. If provided, legal representation, provided by District for Manager, shall extend until a final determination of the legal action including any appeals brought by either party, and the District shall indemnify Manager against any and all losses, damages, judgments, interest, settlements, fines, and court costs.

Manager recognizes that the District shall have the absolute right to settle any claims or lawsuits unless the settlement is of a personal nature to Manager, in which event the Manager may exercise his veto over the settlement. Further, District agrees to pay all reasonable litigation expenses of Manager throughout the pendency of any litigation to which the Manager is a party, witness or advisor to the District. Such expense payments shall continue beyond Manager's service to the District as long as litigation is pending. Further, District agrees to pay Manager's reasonable consulting fees and travel expenses when Manager serves as a witness, advisor or consultant to District regarding pending litigation.

Section 11: RESIDENCE

During the term of this Agreement, Manager agrees that he shall live within the boundaries of Summit County, Utah, unless otherwise approved by the Administrative Control Board.

Section 12: BONDING

District shall bear the full costs of any fidelity or other bonds required of the Manager under any law or ordinance.

Section 13: GENERAL PROVISIONS

- a. This Agreement sets forth and establishes the entire understanding between the District and the Manager relating to the employment of the Manager by the

District. Any prior discussions, representations, written or verbal agreements by or between the parties are merged into superseded and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.

- b. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Manager.
- c. If any provision, or any portion thereof, contained in the Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, and shall not be affected and shall remain in full force and effect.

Section 14: NO REDUCTION OF BENEFITS

The District shall not at any time during the term of the Agreement reduce the salary, compensation, or other financial benefits of the Manager, except to the degree of such a reduction across-the-board for all employees of the District.

Section 15: NOTICES

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

- a. DISTRICT: Administrative Control Board
6421 N. Business Park Loop Rd. Suite A,
Park City, UT 84098
- b. MANAGER: Scott Morrison
2820 Hackney Ct.
Park City, Utah 84060

(or as amended by Manager)

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service 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, Mountain Regional Water Special Service District has caused this Agreement to be signed and executed in its behalf by the Chair of the Summit County Council, acting as the Governing Body of the District, and the Manager has signed and executed this Agreement, the day and year first above written.

MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT

By: SUMMIT COUNTY COUNCIL, Acting as the
Governing Body

GLENN WRIGHT
Chair

ATTEST:

EVELYN FURSE
County Clerk

APPROVED AS TO FORM:

David L. Thomas
Chief Civil Deputy

GENERAL MANAGER

Scott Morrison