

The Port
OF PORT TOWNSEND
SERVING ALL OF JEFFERSON COUNTY

August 15, 2018

HAND DELIVERED

Mr. Jim Pivarnik
205 Saint James Place
PO Box 365
Port Townsend, WA 98368

RE: Employment Offer Letter

Dear Jim,

Today, I was appointed the acting Executive Director of the Port of Port Townsend. The individual commissioners have expressed an interest in hiring you as an Interim Executive Director. Importantly, the decision to hire an Interim Executive Director can only be made by a vote of the Commission in an open public meeting. The purpose of this letter is to solicit your interest in the position of Interim Executive Director under the terms and conditions set forth below.

- **Term of Employment**

You will be employed as a temporary full-time employee for one (1) year from September 18, 2018 through September 17, 2019 unless your employment is terminated sooner as provided herein (the "Employment Period"). In any event, unless you and the Port agree otherwise in an addendum to this Agreement your employment with the Port terminates on September 19, 2019.

- **Nature of Employment Relationship**

Your employment as Interim Executive Director with the Port of Port Townsend will be "at-will". This means that you may resign your position at any time for any reason or no reason. Similarly, the Port may terminate your employment with the Port for any reason or no reason and at any time. Specifically, you are not subject to the Port's discipline and employee termination policies and procedures as they now exist or are hereinafter adopted. By this, the Port intends that the terms and conditions of this letter will constitute an agreement between you and the Port and control the employment relationship between you and the Port.

- **Nature of Position**

As Interim Executive Director, you will be the chief executive and administrative head of the Port. Your position is exempt from the Fair Labor Standards Act. You report directly to the Commissioners (the "Commission") of the Port and perform such duties and responsibilities as assigned by the Commission. In general, you will be responsible for the good and efficient operation of the Port. In addition, you will assist the Commission in hiring a permanent Executive Director. As explained below, if a permanent Executive Director is hired, you may be assigned as the Deputy Executive Director for the balance of the Employment Period.

- **Compensation**

For your services, the Port shall pay you an annual salary of One-Hundred and Thirty-Two Thousand Dollars (\$132,000) per year payable in equal semi-monthly installments pursuant to the Port's normal payroll procedures (the "Annual Salary"). Any changes to your salary and other compensation will be set forth in an addendum to this Letter Agreement signed by you and the Commission.

- **Periodic Performance Reviews**

The Commission may conduct periodic reviews of your performance and give you direction as the Commission deems appropriate. You are encouraged to consult the Commission at any time concerning any aspect of your service as Interim Executive Director, including the prioritization of Port goals.

- **Benefits**

You will receive the standard benefit package as described in the in the Port's Personnel Handbook for non-represented employees as they now exist or are hereinafter modified.

- **Termination When Permanent Executive Director is Hired Without Cause**

In the event that a permanent Executive Director is hired, at your option, you may (i) agree to serve as the Deputy Executive Director under the direction of the Executive Director until the conclusion of the Employment Period or (ii) resign from employment with the Port and receive an amount equal to one-half of the balance your Annual Salary as a severance payment (the "Severance"). By way of example, if the Port hired an executive director six months into your Employment Period you could elect to serve the final six months as a deputy executive director or resign and accept Severance of three months of the Annual Salary. Your receipt of Severance is conditioned upon your waiver of any employment claims against the Port including, but not limited to, any claim of discrimination or breach of contract against the Port, but not including any claims related to a physical condition you have. Your waiver must be complete, in writing, signed by you, and in a form acceptable to the Port.

- **Termination With Cause**

You may also be terminated with cause by the Commission upon the Commission's reasonable determination that one or more of the following factors exist:

1. Dereliction of duty.
2. Insubordination.
3. Mental or physical unfitness for your position, subject to the provisions of the Americans With Disabilities Act and the similar state statutes.
4. Violation of the Port's sexual harassment or drug and alcohol policies as they now exist or are hereinafter amended or adopted.
5. Conviction of a felony or a misdemeanor involving moral turpitude.
6. The failure to support and comply with the policies and guidelines established by the Commission.
7. The inability to effectively function as the Interim Executive Director

Prior to any action by the Commission to terminate you for cause, you will be given written notice of the basis for such contemplated action and be given a reasonable opportunity to appear before the Commission and present any information that may bear on the Commission's decision.

Should you be terminated for cause, you will be entitled to receive your Annual Salary earned through the date of termination with cause; however, you will lose all rights to Severance. You will be paid for Vacation Leave and Sick Leave (as the term is defined in the Personnel Handbook) not taken prior to the termination date.

The next page contains a receipt that indicates that you have received, read, and agree to the terms and conditions of this letter. When signed by you it will constitute an offer to the Port Commission under the foregoing terms and conditions. After I received a signed copy of this letter from you I will present it to the Commission for its consideration.

PORT OF PORT TOWNSEND



Eric Toews, acting Executive Director

OFFER CONFIRMATION

I hereby state that:

1. I offer to serve as interim Executive Director under the terms and conditions of this Employment Letter.
2. I understand and acknowledge that there are no other written or oral promises or agreements concerning my employment with the Port.
3. I understand that if accepted by the Port Commission this Employment Letter forms the entire agreement concerning my employment as interim Executive Director.


Dated this 15 day of August 2018.


James Pivarnik

OFFER ACCEPTED

Accepted by the Commission of the Port of Port Townsend in an open public meeting this 17th day of August 2018.

PORT OF PORT TOWNSEND


Steve Tucker
Commission President