

EMPLOYMENT AGREEMENT
BETWEEN
SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO.1
AND PAMELA HUTCHINS

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ARTICLE I – AGREEMENT

The Articles contained herein constitute an agreement between SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 1, hereinafter referred to as the "District," and PAMELA HUTCHINS, hereinafter referred to as "CEO/Superintendent," who has agreed to accept the position of CEO/Superintendent of the San Juan County Public Hospital District No. 1, ("CEO/Superintendent") with the District, governing wages, working conditions, and terms of employment. This Agreement is only binding on CEO/Superintendent and the District if they both have signed it. In accordance with RCW 70.44.070 and District Bylaws Article III, the CEO/Superintendent shall be appointed for an indefinite term, removable at the will of the District's Board, and shall receive such compensation as the Board shall establish by resolution. The CEO/Superintendent's appointment or removal, with or without cause, shall be by resolution of the Board, introduced at a regular meeting and adopted by a majority vote.

ARTICLE II – DUTIES

CEO/Superintendent shall perform such duties and responsibilities as are outlined in the job description of CEO/Superintendent, attached hereto as Exhibit A. This position is exempt from the Fair Labor Standards Act; however, it is expected that CEO/Superintendent will work at least forty (40) hours per week, Monday - Friday during normal business hours. Onsite hours will vary depending on accounting deadlines and business demands of the District Board of Commissioners. CEO/Superintendent reports directly to the Board of Commissioners of the District.

ARTICLE III – COMPENSATION AND BENEFITS

3.1 Salary. Superintendent shall receive an annual salary of Ninety-Five Thousand Dollars (\$95,000) payable in twelve, equal, monthly, installments of Seven Thousand Nine Hundred Sixteen dollars and 67 cents (\$7,916.67). Prorated amount to start the date of adopted agreement.

3.2. Salary Adjustments. The Commission will conduct an annual review of CEO/Superintendent's performance and salary in the third (3rd) quarter of each year. At that review, the Commission will also discuss goals and set CEO/Superintendent's salary for the following calendar year. In addition, the Commission may also conduct periodic reviews of Superintendent's performance and give Superintendent direction, as the Commission deems appropriate.

3.3. Retirement. The parties understand that CEO/Superintendent will be covered under the Washington State Department of Retirement Systems PERS II Plan.

3.4 Deferred Compensation Program. CEO/Superintendent shall be eligible to participate in the District's Deferred Compensation Plan. The District will pay One Hundred Dollars (\$100.00) per month into such plan. The CEO/Superintendent may elect to add to the Deferred Compensation Plan with paycheck automatic deductions.

3.5 Health Reimbursement Account. The District shall fund an HRA which may be used for all IRS allowable expenses, as determined by the Third-Party Administrator (TPA). As of January 1st of each year, CEO/Superintendent shall have One Thousand Five Hundred

Dollars (\$1,500.00) available for IRS allowable expenses and Nine Hundred Dollars (\$900.00) shall be made available per dependent if any.

3.6. Life Insurance. The District shall pay for a group term life insurance policy of up to Seventy-Five Thousand Dollars (\$75,000.00) during the term of this Agreement, provided CEO/Superintendent is insurable by the District's insurance carrier.

3.7. Disability Insurance. The District shall provide short and long-term disability insurance to CEO/Superintendent. At this time, CEO/Superintendent's share of the premium is 0% and the District will pay 100% of the premium. This is subject to change depending on budgetary constraints of the District.

3.8. Continuing Education and Conference Attendance: Superintendent shall be allowed and is required to attend the State of Washington or other professional mandatory continuing education programs and refreshers necessary to perform her CEO/Superintendent duties. The CEO/Superintendent shall also be allowed to and is encouraged to attend National, State, Regional, and local committees and conferences within the scope of her duties as they enhance the effectiveness of the San Juan County Public Hospital District No. 1 functioning, oversight, and advancement. If such attendance requires tuition fees and/or travel expenses (e.g. overnight lodging, meals), such expenses will be reimbursed in accordance with then current policies for employee reimbursement.

3.9. Regional Committees and Administrator Business: Should the CEO/Superintendent incur usual and customary expenses on behalf of the District, those expenses will be reimbursed in accordance with then current policies for employee reimbursement.

3.10. Defense and Indemnity; Hold Harmless: If the CEO/Superintendent is made a party to any third party action, suit or proceeding (hereinafter a "Proceeding") arising from the CEO/Superintendent's employment with the District, or any appeal in such a Proceeding, and the District is insured for the type of claim made, the District shall defend and indemnify the CEO/Superintendent in any such Proceeding and appeals, to the fullest extent permitted by law, against any judgments, penalties, fines, settlements and reasonable expenses (including, without limitation, attorney's fees and costs) actually incurred by the CEO/Superintendent in connection with such Proceeding; PROVIDED, however, that the District shall have no such obligation to defend, indemnify, and hold harmless the CEO/Superintendent with respect to fraudulent, grossly negligent, criminal acts or omissions, or intentional or knowing acts or omissions of the CEO/Superintendent in violation of the law.

ARTICLE IV – PAID TIME OFF AND HOLIDAYS

4.1 Beginning Bank of PTO. The parties recognize that CEO/Superintendent has approximately 17 days of Earned Paid Time Off (PTO) and 6 banked days of PTO on the Effective Date of this Agreement.

4.2 PTO Accrual and Banking. CEO/Superintendent shall receive a total of twenty-eight (28) days of PTO for use as vacation, personal and/or sick leave at the discretion of the CEO/Superintendent. These days shall accrue at the rate of 2.33 days per month and may, at the Commission's discretion, be "borrowed against" if taken earlier than accrued. Up to one-quarter (1/4) of unused PTO may be cashed out in the same calendar year. A maximum of

fifteen (15) days per year may be rolled over and "banked for use in subsequent years, provided that CEO/Superintendent may not bank more than fifty (50) days. This is the same PTO schedule as the Superintendent presently is on.

4.3 Cash Out Value. Except as provided hereinafter, upon separation from employment, CEO/Superintendent will be paid for any accrued but unused PTO at the rate of seventy-five percent (75%) of the Superintendent's then hourly rate of pay, which shall be calculated by dividing her annual salary by 2080. However, that accrued PTO leave will not be paid in the event CEO/Superintendent voluntarily terminates her employment without providing at least sixty (60) days' notice and the Board, at its discretion has not waived all or part of the sixty day notice; or if CEO/Superintendent is terminated for cause.

4.4 Holidays. CEO/Superintendent shall receive the following paid holidays, separate from PTO: New Year's Day, Memorial, Day, Independence Day, Labor Day, Thanksgiving Day, The day following Thanksgiving Day, Christmas Day, Personal Holiday (flex date). When any of these listed holidays fall on a Saturday, the holiday shall be observed on the preceding Friday, and when the holiday falls on a Sunday, the holiday shall be observed the following Monday.

ARTICLE V – DISABILITY AND SICK LEAVE

5.1. Unpaid leave. Unpaid leave in addition to sick leave may be allowed on a case-by-case basis, if required, as a reasonable accommodation under the Americans with Disabilities Act ("ADA") or the Washington Law Against Discrimination or other applicable law.

5.2. Right to Examination. CEO/Superintendent may be required to provide proof from her health care provider that she is eligible for sick leave, or for leave allowed as a reasonable accommodation under the ADA or any other applicable law, at the discretion of the District. CEO/Superintendent may also be subject to examination by a health care provider selected by the District at the District's expense to determine her eligibility for leave or fitness for duty to the extent allowed by law.

ARTICLE VI – MEDICAL BENEFITS

6.1 Benefits. During the term of this Agreement, the District will provide CEO/Superintendent and her dependents with the medical insurance benefits provided to its other administrative employees, which is currently one hundred percent (100%) for employee and eighty percent (80%) for family members. This coverage may be modified during the course of this Agreement. The District currently provides its administrative employees with medical insurance at a level of coverage determined by the District in its sole discretion through a company, as specified by the District, to include dental and vision coverage for the employee, their spouse, and dependents (hereinafter "Medical Coverage).

6.2 Upgraded Plan. CEO/Superintendent is entitled to enroll in any upgraded medical plan offered by the insurance company selected by the District, provided that CEO/Superintendent pays the additional cost of such upgraded plan.

ARTICLE VII – SEPARATION

Resignation, dismissal, or abandonment of the position shall constitute separation from service, and

shall terminate this Agreement with respect to CEO/Superintendent, except as specifically set forth herein.

7.1 Resignation. CEO/Superintendent is an at-will employee of the District, which means that she can resign at any time, with or without cause, and should give sixty (60) days' notice for planning purposes. The District Board, at its discretion, may waive all or part of the sixty-day notice for purposes of cashing out PTO.

7.2 Dismissal. In accordance with Article I of this agreement, the CEO/Superintendent is an at-will employee of the District. If CEO/Superintendent's employment is terminated for cause, no compensation will be paid after the effective date of the termination, and medical benefits will terminate on the last day of the month in which the termination took place, subject to continuation of benefits by CEO/Superintendent through COBRA if eligible.

7.2.1 Termination for cause includes:

- a. Incompetency, performance deficiencies, inefficiency, or inattention to or dereliction of duty.
- b. Dishonesty, immoral conduct, insubordination, discourteous treatment to the public or a fellow employee, any act or failure to act prejudicial to the District or any other willful failure on the Chief's part to maintain proper conduct.
- c. Mental or physical unfitness for your position, subject to the provisions of the Americans With Disabilities Act and the similar state/federal statutes.
- d. Violation of the District's sexual harassment or drug and alcohol policies as they now exist or are hereinafter amended or adopted.
- e. Conviction of a felony or a misdemeanor involving moral turpitude.
- f. Intentional disclosure of confidential information.
- g. Bullying as defined by Washington State Department of Labor and Industries or unlawful discrimination.
- h. Any other act, or failure to act, which in the reasonable judgment of the District is sufficient to show the Chief to be an unsuitable and unfit person, including the failure to support and comply with the policies and guidelines established by the Commission and/or the failure to perform his assigned duties.

7.2.2 If CEO/Superintendent's employment is terminated without cause, her salary will continue for a period of one hundred eighty (180) days following the date of termination, and she will receive the medical benefits granted pursuant to this Agreement or reimbursed for the cost of comparable benefits during that time period. The foregoing severance is expressly contingent on CEO/Superintendent's execution of a Severance Agreement containing a full release of claims against the District, its commissioners, agents and employees in a form acceptable to the District. In the event of a dispute which should arise

regarding specific terms contained in the Severance Agreement, disputes shall be resolved in accordance with Art. IX Dispute Resolution Procedures in this agreement.

7.3 Abandonment of Position. If CEO/Superintendent is absent from her position for three (3) consecutive working days without prior notice of and/or approval of the District, she shall be considered to have abandoned her position, unless the District finds that extenuating circumstances provide justification for the absence. A dismissal for cause notice shall be sent by certified mail to CEO/Superintendent's last known address within seven (7) calendar days after the three (3) consecutive days of absence.

ARTICLE VIII – SUSPENSION AND OTHER DISCIPLINE

In accordance with Art. I of this agreement, CEO/Superintendent is an at-will employee. Additionally, the District may suspend (with or without pay) or otherwise discipline CEO/Superintendent at the District's sole discretion, if her performance falls below the District's expectations and/or for any other reason(s) if the District determines that they are job related or affect job performance or reflect negatively on the District. If the District elects to suspend CEO/Superintendent without pay, such suspensions will be imposed in full-day or work-week increments consistent with the "salary basis test and as required for employees exempt under the Fair Labor Standards Act.

ARTICLE IX - DISPUTE RESOLUTION PROCEDURE

9.1 The purpose of this procedure is to provide an orderly method of resolving any alleged breach of the terms of this Agreement. A determined effort shall be made to settle any such differences at the lowest possible level in this dispute resolution procedure.

9.2 This dispute resolution procedure is the sole remedy for any dispute involving the interpretation or application of the specific terms of this Agreement or any alleged breach thereof. To the maximum extent allowed by law, the dispute resolution procedure set forth herein is also the sole remedy for any disputes arising out of or relating to CEO/Superintendent's employment. Any dispute concerning this Agreement shall be submitted to this procedure.

9.3 CEO/Superintendent shall notify the District no later than ten (10) days after any occurrence which she deems to be a breach of this Agreement. CEO/Superintendent shall be entitled to a hearing with the Commission within ten (10) working days of such notice. If the dispute cannot be settled at this hearing, CEO/Superintendent shall, within ten (10) working days following the rejection of the dispute by the Commission, submit, in writing, to the Commission a request for arbitration.

9.4 Upon receipt of the request for arbitration, the dispute shall be submitted to mandatory and binding arbitration before the Judicial Arbitration and Mediation Service ("JAMS") located in Seattle, Washington, or other mutually agreeable dispute resolution service. Each party shall bear the cost of preparation and presentation, including attorneys' fees and expert witness fees, of its case before the arbitration. The cost of the arbitrator shall be shared equally. The decision of the arbitrator shall be binding and final on the parties. The arbitration shall be conducted in accordance with the JAMS Comprehensive Arbitration Rules and Procedures unless the parties agree otherwise.

9.5 The parties shall agree on a JAMS arbitrator within twenty (20) days from the date the matter is submitted to JAMS. In the event that the parties fail to agree on a JAMS arbitrator within such time, then JAMS shall be asked to submit the names of at least three (3) arbitrators. Each party shall have ten (10) days after receiving the list to strike one (1) name from that list. JAMS shall select the arbitrator from the names on the list that have not been struck by either party.

9.6 The parties may agree on another arbitrator in JAMS or another person at any time. In the event that JAMS is unable or unwilling to provide an arbitrator and the parties cannot otherwise agree, then the presiding judge of the San Juan County Superior Court shall be asked to designate an arbitrator.

9.7 The hearing and the final decision of the arbitrator shall be made within thirty (30) days of the selection of the arbitrator or as soon thereafter as possible. The decision of the arbitrator shall be final and binding upon both parties, subject only to the right of appeal as provided in RCW 7.04; provided, however, that in arriving at such decision neither of the parties nor the arbitrator shall have the authority to alter this Agreement in whole or in part.

9.8 The arbitrator cannot order the District to take action contrary to law.

9.9 The total cost of the stenographic record, if requested, shall be paid by the party requesting it. If the other party also requests a copy, each party shall pay one-half (1/2) of the stenographic cost.

9.10 There will be no reprisals against CEO/Superintendent or others as a result of her or their participation in this dispute resolution process.

ARTICLE X - TERM

This contract shall begin on August 27, 2020 (or the "Adoptive Date"), and shall continue until CEO/Superintendent separates from employment as provided in Article VII.

ARTICLE XI - NEGOTIATION PROCEEDINGS

Either the District or CEO/Superintendent may reopen contract negotiations, with mutual agreement for changes in wages or any other provisions of this Agreement. Such agreement shall not be unreasonably withheld by either party.

ARTICLE XII - ADDITIONAL TERMS

12.1 Survival. Article XII shall survive the termination or expiration of this Agreement.

12.2 Severability. If any term or condition of this Agreement is found to be invalid, the remaining terms and conditions of this Agreement shall remain in full force and effect.

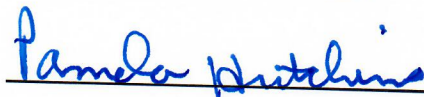
12.3 Integration. This Agreement is an integrated document. This Agreement is the only agreement between the parties hereto, and replaces and/or supersedes any and all prior agreements or understandings between the parties. The parties hereto agree that all

previous agreements and representations, whether oral or in writing, are hereby null and void and of no further force or effect. Without limiting the generality of the foregoing sentences in this paragraph, CEO/Superintendent shall not be subject to the District's discipline and employee termination policies and procedures as they now exist or are hereafter adopted. By this, it is intended that the terms and conditions of this Agreement (and only those personnel policies expressly referenced herein) will control the employment relationship between CEO/Superintendent and the District. Any modifications to this Agreement must be in writing, signed by the parties hereto, in order to be valid and binding.

12.4 Interpretation. The validity and interpretation and execution of this Agreement and the performance of and rights accruing under this Agreement, are all to be governed by the laws of the State of Washington. Venue for any arbitration proceeding or action to enforce an arbitration award or any other action relating to this Agreement shall be in San Juan County, Washington.

12.5 Acknowledgement. The undersigned agree that they have read and understand and do hereby approve and agree to the terms of this Agreement.

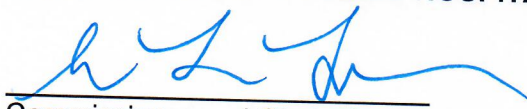
SUPERINTENDENT / CEO:



PAMELA HUTCHINS

Date: 8/27/20

SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 1, BOARD OF COMMISSIONERS



Commissioner and Chair, Anna Lisa Lindstrum

Date: 8.27.20

Commissioner, Everett Clary

Date: _____

Commissioner, Trish Lehman

Date: _____

Commissioner, Gail Leschine-Seitz

Date: _____

Commissioner, Kyle Loring

Date: _____



EXHIBIT A
JOB DESCRIPTION



OF SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT SUPERINTENDENT / CEO

Job Title:	Chief Executive Officer / Superintendent	Job Category:	Full-time, contracted
Department	SJCPHD#1 Agencywide Administrator	Hire Date:	
Location:	Friday Harbor, WA	Travel Required:	Local: Regular Region: Occasional National: Rare
Pay Range:	\$90,000 - \$120,000	Scale:	Salary/exempt
Reporting: SJCPHD #1 Board of Commissioners			
Job Description			
<p>QUALIFICATIONS:</p> <ol style="list-style-type: none"> 1. Leadership experience 2. Bachelor’s Degree 3. Accounting and/or business administration experience 4. Proficiency in Microsoft Office software as well as remote conferencing software 5. Preferred medical credential of some sort (EMT, nursing, etc.) or demonstrated experience with healthcare related services <p>KNOWLEDGE, SKILLS AND ABILITIES:</p> <ol style="list-style-type: none"> 1. Must have a positive attitude, exceptional communications skills and willingness to be a team player. Must be able to follow Direction of Board Commissioners and listen to staff concerns 2. Ability to communicate clearly both verbally and in writing 3. Must be self-motivated with a strong work ethic 4. General knowledge of EMS apparatus, equipment and supplies and their operational needs and maintenance 5. Proficiency with computer and remote conferencing software 6. Managerial and time management skills 			

7. Knowledge of Washington law as it pertains to public safety and healthcare facilities, construction contracts and property control
8. Knowledge of regulations pertaining to health, safety and environmental issues
9. Knowledge of OSHA/EPA standards for workplace safety and compliance
10. Knowledge of public safety preparedness for EMS response and mitigation
11. Knowledge about Washington State and Federal employment law
12. Completion of basic ICS course work within six months of hire and knowledge of the Incident Command System

JOB GOAL

The SJCPHD#1 CEO/Superintendent is by state law the Chief Executive Officer for the District with all its administrative functions and full authority to act as a representative of the District's Board of Commissioners. The CEO supervises all senior leadership, presents the annual and amended budgets each year, reports monthly to the Board of Commissioners, and provides management to the District. The CEO authorizes all hires, pay changes, and discipline; represents management in collective bargaining, and provides vision and leadership. This role is also the primary spokesperson for the District, except as delegated to a Public Information Officer.

SUPERVISES:

Chief/Director of Operations, Director of Administration, Director of Training, any executive assistant if employed.

PERFORMANCE RESPONSIBILITIES:

Management

1. In accordance with RCW 70.44.080, RCW 70.44.090, and the District bylaws, the Superintendent is the Chief Executive Officer for the District with all its administrative functions and full authority to act as a representative of the District's Board of Commissioners
2. Oversee all staff whether directly or through supervisors, oversee all changes in pay and hiring, set policies and procedures for the District generally whether union or non-union
3. Represent management in collective bargaining negotiations
4. While Directors and/or supervisors may recommend discipline and pay changes, the Administrator shall be the only person authorized to implement such actions
5. Ensure that employees receive adequate training, approve all employee training, or delegate the approval of such as covered within the budget
6. Participate in the final portion of any employee review and be the final approver of any employee review; review employees who directly report to the Chief Executive Officer and ensure their performance is satisfactory
7. Provide vision, set culture, and lead the District through management initiatives in keeping with governance objectives set by the Board in collaboration with staff

Board of Commissioners

8. Report to the Board of Commissioners for San Juan County Public Hospital District No. 1 monthly regarding finances and operations, and is the person to formally present all management and staff initiatives such as budgets to the Board
9. Work with the Board of Commissioners, and keep the Board apprised generally, with assistance as needed from staff such as the Board Recording Secretary
10. May make use of other employees as a part of their reporting to the Board as needed (such as an Ops or logistics report), and ensure that employees prepare necessary information as needed for these reports

Financial and Legal

11. Supervise the preparation of all formal budgets to be presented and approved by the Board, supervise the development of capital improvement plans, asset management plans, and whatever other financial planning as may be necessary
12. Ensure audit compliance and audit completion, whether directly or through delegates as may be appropriate
13. Execute and authorize all expenditures within the approved budget, delegating spending authority to staff as needed to perform approved job duties and ensure compliance with all appropriate policies regarding the use of these funds by staff
14. Ensure that staff prepares accurate Payroll and Accounts Payables, tax revenue levy certification, and payment to partners such as PeaceHealth.
15. Approve and be a signatory to all contracts, and is the primary delegee to sign on behalf of the District and the Board when needed in all situations except as when Board may explicitly decide otherwise
16. Serve as the agency's chief decision maker on capital outlay, construction, renovation, and remodeling projects and secure approval from the Board as needed
17. Serve as the agency's chief decision maker on the disposition of agency owned real property and secure approval from the Board as needed
18. Retain and select legal counsel and other professional services for the District
19. Approve application for all grants, with the Board as may be necessary

Operations

20. Develop with staff and the MPD/MPDD performance and quality metrics for EMS operations
21. Ensure coordination and communication between the hospital district/EMS and key partners
22. Ensure development of standard operating procedures for staff
23. Make sure that all departments are operating satisfactorily
24. Either directly handle non-EMS projects or assign to Administrative Staff

Public and Community Relations

25. Serve as the primary spokesperson for the District except as may be delegated to a Public Information Officer; supervise the Public Information Officer if one is employed
26. Represent the District to all outside Agencies and organizations,
27. Maintain strong business relationships with key partners and regulatory, state, and local authorities

Other

28. The CEO is ultimately responsible to ensure that all necessary functions of the District are accomplished, mostly through employees, and may delegate any portion of these job duties as needed.
29. Perform other incidental tasks consistent with the goals and objectives of this position.

PHYSICAL REQUIREMENTS:

Up to 20 pounds of force as needed to move objects. This position may result in exposure to individuals carrying infectious diseases or illnesses, such as Hepatitis A, B, or C, HIV, tuberculosis, etc. This position will involve periods of high physical, mental and/or emotional stress.

TERMS OF EMPLOYMENT:

Salary and benefits shall be paid consistent with the employees' contract and general policies of the District.

EVALUATION:

Performance of this job will be evaluated yearly by the Board of Commissioners