

Nem #4

**City of Carson City
Agenda Report**

Date Submitted: 2-1-08

Agenda Date Requested: 2-7-08

Time Requested: 10 minutes

To: Board of Supervisors

Subject Title: Discussion and action to accept the resignation of Linda P. Ritter as City Manager for Carson City and to approve the signing of the Agreement by and between Carson City and Linda P. Ritter which releases Carson City and Linda P. Ritter from their mutual obligations under the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 and approves the employment of Linda P. Ritter as a part-time employee of Carson City through August 1, 2009, to approve the signing of the "Phase-in Retirement Agreement" by and between Carson City and Linda P. Ritter to provide for the phased in retirement of Linda P. Ritter pursuant to NRS 286.477 and to approve the signing of the "Mutual Release of All Claims" by and between Carson City and Linda P. Ritter.

Staff Summary: On February 1, 2008, Linda P. Ritter submitted her resignation as City Manager for Carson City contingent upon the approval of her reemployment as a part-time employee to provide for a phased-in retirement as authorized pursuant to NRS 286.477. The Board is being asked to accept her resignation and to approve the required agreements.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to accept the resignation of Linda P. Ritter as City Manager for Carson City and to approve the signing of the Agreement by and between Carson City and Linda P. Ritter which releases Carson City and Linda P. Ritter from their mutual obligations under the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 and approves the employment of Linda P. Ritter as a part-time employee of Carson City through August 1, 2009, to approve the signing of the "Phase-in Retirement Agreement" by and between Carson City and Linda P. Ritter to provide for the phased in retirement of Linda P. Ritter pursuant to NRS 286.477 and to approve the signing of the "Mutual Release of All Claims" by and between Carson City and Linda P. Ritter.

Explanation for Recommended Board Action: The acceptance of the resignation and approval of the Agreements would provide for the Phased-In Retirement of Linda P. Ritter from Carson City.

Applicable Statute, Code, Policy, Rule or Regulation: NRS 286.477

Supporting Material:

Resignation of Linda P. Ritter

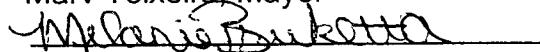
Proposed Agreement by and between Carson City and Linda P. Ritter

Proposed Phased-In Retirement Agreement

Proposed Mutual Release of All Claims

Reviewed By:



Marv Teixeira, Mayor


Melanie Borkota
(District Attorney)

Date: 3/1/08

Date: 2-1-08

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____

(Vote Recorded By)



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

February 1, 2008

Carson City Board of Supervisors
201 N. Carson Street
Carson City, NV 89701

re: Resignation

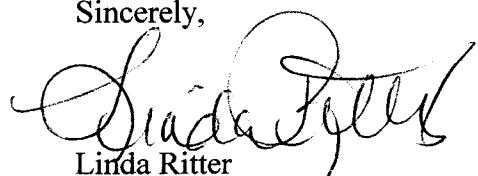
Dear Board members,

This letter will serve as notification of my resignation from the position of City Manager for the Consolidated Municipality of Carson City effective February 7, 2008. I have thoroughly enjoyed my 4 ½ years as this community's City Manager. We have accomplished much together, although there is much more to do. My greatest joy has been working with one of the finest group of elected officials, department heads and employees in the State. Through all of our challenges, from the Waterfall Fire, to floods, to tightening budgets - this group of public servants have consistently risen to the occasion and performed impeccably. I will miss working closely with each and every one of these fine individuals. Carson City is fortunate to have employees so completely dedicated to the well being of our residents. Like our employees, my focus is, and always will be the betterment of the City that I am proud to call my home. I look forward to "phasing out" of local government work and having the opportunity to enjoy more time with my family as well as becoming more involved with my community.

Since I hold the exclusive power to resign pursuant to the current employment contract with Carson City, I can exercise that exclusive right subject to contingencies. Further, since an offer may only be accepted/rejected as presented and as a whole, I tender the following contingent resignation. I am hereby tendering my contingent resignation, to be effective only upon full completion and acceptance of the following contingencies: (1) the Board of Supervisors will accept by lawful and appropriate vote of the Board the Settlement Agreement, Mutual Release of All Claims and Phase-In Agreement (hereafter collectively "Agreements") which I have signed and submitted to the City contemporaneously with this letter of contingent resignation; (2) The Board of Supervisors and Mayor sign the Agreements prior to the end of the February 7, 2008 Board meeting; and (3) My resignation is accepted by the City only after both of the first two conditions are satisfied. Based on this offer, and the representations made to me by the City concerning the Agreements, I will not attend the Board meeting on Thursday, February 7, 2008."

President John F. Kennedy once said, "Change is the law of life. And those who look only to the past or present are certain to miss the future." It is now time for all of us to look forward and work together to insure a bright future for Carson City.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Ritter".

Linda Ritter

City Manager

PHASE-IN AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____ by and between CARSON CITY, a consolidated municipality and political subdivision of the State of Nevada, hereinafter referred to as "Employer" and Linda P. Ritter, hereinafter referred to as "Employer", and, hereinafter referred to as "Employee."

WHEREAS, NRS 286.477 authorizes a Nevada public employer and his employee to agree in writing to a part-time employment situation coupled with full-time service credit in the Public Employees Retirement System for persons otherwise eligible for retirement; and

WHEREAS, Employer and Employee mutually believe such an employment arrangement would be in the best interest of both parties; and

WHEREAS, Employee has represented to Employer that he/she will have reached the age and completed years of service necessary for retirement, without actuarial reduction of his/her benefit, at the expiration of the terms of this agreement.

NOW, THEREFORE, the parties hereto do agree as follows:

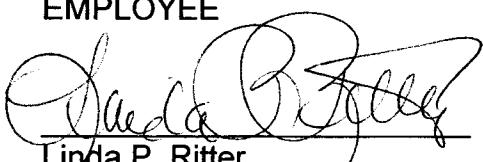
- (1) Employee shall hereafter work for Employer half time or more, but less than full time, according to the regular schedule established by Employer for Employee's particular position pursuant to the Agreement between Carson City and Linda P. Ritter dated the _____ day of _____, 2008;
- (2) Employee will terminate all employment with Employer on or before the fifth anniversary of the day on which this agreement becomes effective, specifically Employee shall terminate employment with Employer on August 1, 2009 pursuant to the Agreement between Carson City and Linda P. Ritter dated the _____ day of _____, 2008;
- (3) Employer and Employee shall hereafter make contributions to the Public Employees Retirement System equal to the lesser of (a) the amount which a person serving on a full-time basis in Employee's position would contribute and which his Employer would contribute for such person or (b) the amount which Employee and Employer contributed during the last 12 months of the Employee's full-time employment, adjusted to include increases to offset higher costs of living provided to similarly situated employees of the same public employer. If employee, now or in the future, becomes covered under the employer-paid retirement plan of NRS 286.421, all contributions required by this agreement shall be paid by Employer;
- (4) Employee will forfeit and lose all service credit received pursuant to the provisions of NRS 286 and this agreement which he/she did not earn by actual

work if he/she (a) returns to full-time employment in the service of any public employer at any time after beginning part-time work under this agreement, except for full-time employment as an elected public officer as a result of election or appointment to an elective office or (b) continues in part-time employment beyond the fifth anniversary of the day on which this agreement becomes effective.

- (5) THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNLESS AND UNTIL APPROVED BY THE PUBLIC EMPLOYEES RETIREMENT BOARD OF NEVADA.

IN WITNESS WHEREOF, the consolidated municipality of CARSON CITY has caused this AGREEMENT to be signed and executed in its behalf by its Mayor and duly attested by its Clerk, and the EMPLOYEE has signed and executed this AGREEMENT, both induplicate, the day and year this AGREEMENT is executed by the Mayor on behalf of the City.

EMPLOYEE



Linda P. Ritter

Dated this 12 day of Feb, 2008.

CARSON CITY

Marv Teixeira, Mayor

Dated this ____ day of _____, 2008.

MUTUAL RELEASE OF ALL CLAIMS

1. RELEASE OF CARSON CITY

A. FOR AND IN CONSIDERATION of the release of all claims pursuant to Section 2 of this "Mutual Release of All Claims", Linda P. Ritter does hereby release CARSON CITY, and each, every and all of Carson City's elected and appointed officers, deputies, agents, servants, employees, representatives, attorneys, successors and assigns, in both official capacities and personal capacities, of and from any and all known or unknown actions, causes of actions, claims, demands, damages, costs, losses, expenses, attorneys fees, charges including medical expenses or loss of wages now incurred or to be incurred in the future, property damage, loss of value, and any and all liabilities of whatsoever character, and without limitation to the foregoing, resulting from or growing out of or connected with the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 or in anyway relating to or arising from the employment of EMPLOYEE as City Manager for Carson City pursuant to the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005. Except, however, CARSON CITY is not released or removed from the duty to defend, hold harmless and indemnify EMPLOYEE against all claims, demands and actions, whether groundless or otherwise lacking merit, for any and all actions, conduct, omission, torts and damages to which EMPLOYEE may be or is found to be liable based upon any actions, conduct and decisions EMPLOYEE undertook while employed by CARSON CITY as the City Manager for Carson City, and CARSON CITY hereby reaffirms such obligations to EMPLOYEE. CARSON CITY and EMPLOYEE hereby agree that the opinion of the District Attorney shall be binding and final as to whether EMPLOYEE was acting within the scope of this AGREEMENT.

B. Except as limited in section 1(A) of this Agreement, by this document, Linda P. Ritter does release CARSON CITY, and each, every and all of its elected and appointed officers, employees, agents, representatives, attorneys, successors, and assigns, in both official capacities and personal capacities, all of whom are hereby forever and completely released, discharged and acquitted of and from any and all claims or causes of action known or unknown, held or claimed by the undersigned in any legal capacity whatsoever, resulting from or growing out of or connected with the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 or in anyway relating to or arising from the employment of EMPLOYEE as City Manager for Carson City pursuant to the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005.

C. In making this Mutual Release of All Claims, it is understood and agreed that Linda P. Ritter does specifically warrant and represent that in doing so, she has had the opportunity to be fully advised and represented by legal counsel of her own selection, and is fully familiar with all of the circumstances surrounding this said agreement, and in executing this release she relies wholly upon her own judgment and any advice of counsel of her own independent selection, and that she has been in no way influenced by any representation or statement whatsoever regarding the matters set forth herein, or any other matter made by any person, individual or corporation, or any agent, employee or servant thereof, who are hereby released, or any persons representing any of them or by any attorney by any of them employed.

2. RELEASE OF LINDA P. RITTER

A. FOR AND IN CONSIDERATION of the release of all claims pursuant to Section 1 of this "Mutual Release of All Claims", CARSON CITY does hereby release Linda P. Ritter, in both her official capacity and personal capacity, of and from any and all known or unknown actions, causes of actions, claims, demands, damages, costs, losses, expenses, attorneys fees, charges including medical expenses or loss of wages now incurred or to be incurred in the future, property damage, loss of value, and any and all liabilities of whatsoever character, and without limitation to the foregoing, resulting from or growing out of or connected with the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 or in anyway relating to or arising from the employment of EMPLOYEE as City Manager for Carson City pursuant to the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005.

B. By this document, CARSON CITY does hereby release Linda P. Ritter, in both her official capacity and personal capacity, forever and completely released, discharged and acquitted of and from any and all claims or causes of action known or unknown, held or claimed by the undersigned in any legal capacity whatsoever, resulting from or growing out of or connected with the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 or in anyway relating to or arising from the employment of EMPLOYEE as City Manager for Carson City pursuant to the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005.

C. In making this Mutual Release of All Claims, it is understood and agreed that CARSON CITY does specifically warrant and represent that in doing so, CARSON CITY has had the opportunity to be fully advised and represented by legal counsel of CARSON CITY's own selection, and is fully familiar with all of the circumstances surrounding this said agreement, and in executing this release CARSON CITY relies wholly upon the judgment and any advice of counsel of CARSON CITY's independent selection, and that CARSON CITY has been in no way influenced by any representation or statement whatsoever regarding the matters set forth herein, or any other matter made by any person, individual or corporation, or any agent, employee or servant thereof, who are hereby released, or any persons representing any of them or by any attorney by any of them employed.

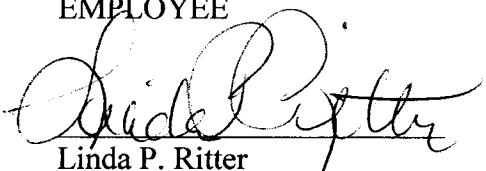
3. ACKNOWLEDGMENT

The parties to this agreement acknowledge that the terms contained herein contain the entire agreement among the parties hereto, and the terms of this agreement release are contractual and not merely recital. The parties further declare that this "Mutual Release of All Claims" has been carefully read, that the contents thereof are fully known and understood, and that each party has signed as the free and voluntary act of the party, and that it is the express intention of both parties to waive, release and discharge any and all claims and causes of action of whatsoever

character against Carson City and EMPLOYEE, and each, every and all of its agents, officers, deputies, servants, employees, representatives, successors, and assigns, and to be fully and legally bound thereby, in both official capacities and personal capacities, and Linda P. Ritter, in her official capacity and personal capacity.

IN WITNESS WHEREOF, the consolidated municipality of CARSON CITY has caused this AGREEMENT to be signed and executed in its behalf by its Mayor and duly attested by its Clerk, and the EMPLOYEE has signed and executed this AGREEMENT, both induplicate, the day and year this AGREEMENT is executed by the Mayor on behalf of the City.

EMPLOYEE



Linda P. Ritter

Dated this 1st day of Feb, 2008.

CARSON CITY

Marv Teixeira, Mayor

Dated this _____ day of _____, 2008

STATE OF _____)
:ss.
_____)

On this _____ day of _____, 2008, personally appeared before me, a Notary Public, Linda P. Ritter, who acknowledged to me that he executed the foregoing Mutual Release of All Claims.

NOTARY PUBLIC

AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2008, by and between CARSON CITY, a consolidated municipality and political subdivision of the State of Nevada, hereinafter called "CARSON CITY" and LINDA P. RITTER, hereinafter called "EMPLOYEE", both of whom understand and agree to the following provisions:

1. MUTUAL RELEASE OF APRIL 21, 2005 AGREEMENT

A. CARSON CITY hereby agrees to release EMPLOYEE from any and all duties and obligations required of EMPLOYEE pursuant to the Agreement between CARSON CITY and EMPLOYEE dated April 21, 2005 (hereinafter referred to as the "Employment Agreement") in consideration for the release of CARSON CITY from any and all duties and obligations required of CARSON CITY pursuant to the Employment Agreement.

B. EMPLOYEE hereby agrees to release CARSON CITY from any and all duties and obligations required of CARSON CITY pursuant to the Employment Agreement in consideration for the release of EMPLOYEE from any and all duties and obligations required of EMPLOYEE pursuant to the Employment Agreement.

C. CARSON CITY and EMPLOYEE hereby agree that in further consideration for the mutual release of any and all duties and obligations of CARSON CITY required pursuant to the Employment Agreement, CARSON CITY shall pay to EMPLOYEE, within 30 days of the execution of this AGREEMENT:

1. A lump sum cash payment equal to three (3) months of EMPLOYEE'S aggregate and final salary under the Employment Agreement, less applicable withholdings.

2. A lump sum cash payment for any accrued and unused annual leave hours at the current and final base pay rate for EMPLOYEE under the Employment Agreement, less applicable withholdings.

2. RELEASE OF ALL CLAIMS

A. CARSON CITY hereby agrees to execute a "Mutual Release of All Claims," in a form agreed to by both parties, in favor of EMPLOYEE which provides that CARSON CITY shall release EMPLOYEE from any and all claims CARSON CITY may have now against EMPLOYEE, in both official capacity or personal capacity, relating to the Employment Agreement or in anyway relating to or arising from the employment of EMPLOYEE as City Manager for Carson City.

B. EMPLOYEE hereby agrees to execute a "Mutual Release of All Claims," in a form agreed to by both parties, in favor of CARSON CITY which provides that

EMPLOYEE shall release CARSON CITY from any and all claims EMPLOYEE may have now against CARSON CITY, the elected or appointed public officials of CARSON CITY, their employees, deputies or agents, in both official capacity or personal capacity, relating to the Employment Agreement or in anyway relating to or arising from the employment of EMPLOYEE as City Manager for Carson City, with the exception of those rights/claims expressly preserved by the "Mutual Release of All Claims" and as set forth in paragraph 6 of this AGREEMENT.

C. CARSON CITY and EMPLOYEE hereby agree that the provisions of this AGREEMENT shall be null and of no effect, without further action of either party, if either party fails to execute the "Mutual Release of All Claims" required pursuant to this AGREEMENT.

3. PHASE-IN RETIREMENT OF EMPLOYEE PURSUANT TO NRS 286.477

A. CARSON CITY and EMPLOYEE hereby agree that each party will execute a "Phase-In Retirement Agreement", pursuant to the provisions of NRS 286.477, to provide for the retirement of EMPLOYEE on August 1, 2009.

B. CARSON CITY and EMPLOYEE hereby agree that the "Phase-In Retirement Agreement" shall be in a form agreed to by both parties, comply with the provisions of NRS 286.477 and is subject to the approval of the Public Employees Retirement Board of Nevada ("PERS Board"). If such approval is not obtained, then the parties agree to mutually execute such changes to the "Phase-In Retirement Agreement" as required to obtain approval by the PERS Board. If, after good faith efforts by both parties, to obtain approval by the PERS Board, the parties are not able to obtain approval then EMPLOYEE shall be employed under the same terms and conditions as set forth in this AGREEMENT, except that the following changes/amendments shall automatically take effect, retroactively to the date of this AGREEMENT:

1. Paragraph 4 shall be amended to delete the phrase "PART-TIME" and be replaced by the phrase "FULL-TIME"

2. Paragraph 4(A) and 4(B)(2) shall be amended to delete "21" and replace it with "40"

C. CARSON CITY agrees to pay all contributions to the Public Employees Retirement System required pursuant to the "Phase-In Retirement Agreement."

D. CARSON CITY and EMPLOYEE hereby agree that the provisions of this AGREEMENT shall be null and of no effect, without further action of either party, if either party fails to execute the "Phase-in Retirement Agreement".

4. PART-TIME EMPLOYMENT OF EMPLOYEE BY CARSON CITY

A. Except as otherwise provided in this subparagraph, CARSON CITY hereby agrees to employ EMPLOYEE as an employee for a minimum of 21 hours per week at a rate of pay of \$48.68 per hour through August 1, 2009. CARSON CITY and EMPLOYEE hereby agree that EMPLOYEE shall be assigned to report directly to Larry Werner during the term of this AGREEMENT. If Larry Werner is replaced, then EMPLOYEE shall be assigned to be supervised by Andrew Burnham, or his successor as Director of the Carson City Public Works Department. EMPLOYEE may also work additional time and hours in excess of 21 hours per week as approved by her supervisor and as accepted by EMPLOYEE, at her sole discretion. EMPLOYEE's decision to decline to work a number of hours beyond 21 per week does not constitute Cause (as defined below) nor does it constitute that she is not "ready, willing and able" under paragraph 4(D) of this AGREEMENT.

B. CARSON CITY and EMPLOYEE hereby agree that:

1. CARSON CITY shall credit eighty-four (84) annual leave hours to the personal account of EMPLOYEE after the EMPLOYEE has begun employment by CARSON CITY pursuant to paragraph (A) of this section;

2. During EMPLOYEE'S employment pursuant to paragraph (A) of this section, EMPLOYEE shall accrue, and have credited to her personal account, annual leave at the rate applicable to that, as set forth in the personnel rules of CARSON CITY, of an employee of CARSON CITY being employed at a rate of 21 hours per week, plus any additional hours worked by EMPLOYEE, with the tenure of EMPLOYEE with CARSON CITY; and

3. CARSON CITY shall provide to EMPLOYEE all other benefits, except modifying such benefits as set forth in subparagraphs (1) and (2) of this paragraph, that CARSON CITY provides to unclassified employees who work a 40 hour work week.

C. CARSON CITY and EMPLOYEE hereby agree that EMPLOYEE shall have, during the term of this AGREEMENT, the duty to perform any and all reasonable duties assigned to EMPLOYEE by Larry Werner or her subsequent supervisor.

D. CARSON CITY and EMPLOYEE hereby agree that, if EMPLOYEE is ready, willing and able to perform the duties required of EMPLOYEE pursuant to this AGREEMENT, CARSON CITY may only terminate the employment of EMPLOYEE for Cause, as Cause is defined by this AGREEMENT. For purposes of this AGREEMENT "Cause" constitutes: (a) the conviction of EMPLOYEE of a felony or gross misdemeanor which relates to EMPLOYEE's performance of the duties set forth above in this AGREEMENT at paragraph C(1); and (b) violation by EMPLOYEE of the confidentiality provisions set forth in paragraph 8 of this AGREEMENT. It is agreed by the parties to this AGREEMENT that Employee is still deemed to be "able" to perform the duties set forth above where an illness or disability renders her temporarily unable to perform such duties. Further, CARSON CITY agrees that it may not assign or have

assigned to EMPLOYEE duties under this AGREEMENT that are beyond her knowledge, skills or capability and then claim that EMPLOYEE is not "able" to perform under the terms of this AGREEMENT, and any such assignment would not be considered reasonable under paragraph C(1).

E. CARSON CITY and EMPLOYEE hereby agree that:

1. CARSON CITY will make all reasonable efforts to supply EMPLOYEE with suitable work space and office equipment at the Carson City Public Works Department, located at 3505 Butti Way, Carson City, Nevada;

2. EMPLOYEE is not required to perform any of the duties required of EMPLOYEE pursuant to this AGREEMENT at the work space provided by CARSON CITY pursuant to subparagraph 1 of this paragraph; and

3. Provided EMPLOYEE is performing the duties required of EMPLOYEE pursuant to this AGREEMENT, EMPLOYEE has the discretion to perform the duties required of EMPLOYEE at any location deemed acceptable by EMPLOYEE that is not owned, operated or occupied by CARSON CITY, its employees, deputies, contractors or agents.

5. TERM OF AGREEMENT

CARSON CITY and EMPLOYEE hereby agree that the term of this AGREEMENT is from the date of execution of the AGREEMENT by both parties until August 1, 2009, unless the EMPLOYEE resigns from the employ of CARSON CITY or CARSON CITY terminates the employment of EMPLOYEE pursuant to paragraph D of section 4 of this AGREEMENT. Nothing in this AGREEMENT shall prevent, limit or otherwise interfere with the right of EMPLOYEE to resign at any time and for any reason from her employment with CARSON CITY.

6. INDEMNIFICATION

CARSON CITY and EMPLOYEE hereby agree that CARSON CITY shall defend, hold harmless and indemnify EMPLOYEE against any tort, professional liability claim, demand or other legal action, whether groundless or otherwise arising out of an alleged act or omission occurring in the performance of the duties required of EMPLOYEE pursuant to this AGREEMENT and while EMPLOYEE was employed as the City Manager for Carson City (which includes the time period beginning June 16, 2003).

7. ATTORNEY'S FEES AND COURT COSTS; APPLICABLE LAW; FORUM SELECTION CLAUSE

A. CARSON CITY and EMPLOYEE hereby agree that if either CARSON CITY or EMPLOYEE is required to go to court to enforce the provisions of this

AGREEMENT, the prevailing party shall be entitled to reimbursement from the nonprevailing party for reasonable attorney's fees, litigation expenses and court costs.

B. CARSON CITY and EMPLOYEE hereby agree that in the event of litigation, Nevada law shall control the interpretation and application of his AGREEMENT.

C. CARSON CITY and EMPLOYEE hereby agree that any action to enforce the provisions of this AGREEMENT shall only be filed in the court of the First Judicial District of the State of Nevada.

8. CONFIDENTIALITY

A. CARSON CITY and EMPLOYEE hereby agree that all prior and contemporaneous communications by and between CARSON CITY, Mayor Marv Texeira, Supervisor Richard Staub, Supervisor Shelly Aldean, Supervisor Robin Williamson, Supervisor Pete Livermore or EMPLOYEE that in any way relate to or arise from the negotiations of this AGREEMENT, are confidential and from the date of this AGREEMENT are not to be disclosed to any person or agency not a party to this AGREEMENT. The parties also agree that matters that were raised by either party during the negotiations of this AGREEMENT, which rely upon events or facts that occurred prior to the negotiations and while EMPLOYEE was employed as the City Manager, are also confidential and may not be disclosed after the date of this AGREEMENT. However, matters that are public knowledge or public information relating to Carson City are not deemed confidential under the terms of this AGREEMENT. A disclosure by CARSON CITY of said confidential information and disclosures covered by paragraph 8(B) include any disclosure by CARSON CITY's agents, employees, Mayor or Supervisors.

B. Upon execution of this AGREEMENT, the parties agree that anyone asking about the reason(s), basis or cause (or any similar question) and all statements made by EMPLOYEE and CARSON CITY concerning EMPLOYEE's change of status, Employment Agreement, job performance (including comments that have the purpose of effect of relating to or commenting on EMPLOYEE's job performance), this AGREEMENT, the "Mutual Release of All Claims" and the "Phase-In Agreement" (including the changes effected and reasons for these agreements), shall be answered in a positive and non-disparaging manner or with a response of "no-comment."

C. Should EMPLOYEE breach this paragraph 8, then it shall constitute Cause, as set forth above in paragraph 4(D). Should CARSON CITY breach this paragraph 8, then CARSON CITY shall pay to EMPLOYEE a lump sum payment equal to four (4) months of EMPLOYEE's full-time final pay rate under the Employment Agreement, without withholdings, as liquidated damages for the personal injuries and/or emotional distress the parties jointly agree will be caused to EMPLOYEE by such a breach. If CARSON CITY fails to pay the lump sum amount to EMPLOYEE within 30 days of her demand for such payment, the principal amount will accrue interest at the rate

of 20% annual interest, compounded monthly. The parties agree that any party seeking to enforce the provisions of this paragraph as it relates to the damages or remedies available for a breach of this paragraph shall have the burden of proving by clear and convincing evidence that a breach occurred.

9. GENERAL PROVISION

The text herein shall constitute the entire AGREEMENT between the parties. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of EMPLOYEE. This AGREEMENT shall be interpreted pursuant to the applicable law of the State of Nevada. If any provision, or any portion thereof, contained in this AGREEMENT is held unconstitutional, invalid or unenforceable, the remainder of this AGREEMENT, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, the consolidated municipality of CARSON CITY has caused this AGREEMENT to be signed and executed in its behalf by its Mayor and each member of the Board of Supervisor and duly attested by its Clerk, and the EMPLOYEE has signed and executed this AGREEMENT, both in duplicate, the day and year this AGREEMENT is executed by the Mayor and each member of the Board of Supervisors on behalf of the City.

EMPLOYEE



Linda P. Ritter

Dated this 1st day of Feb, 2008.

CARSON CITY

Marv Teixeira, Mayor

Dated this ____ day of ____ , 2008.

Robin Williamson, Supervisor

Dated this ____ day of ____ , 2008.

Shelly Aldean, Supervisor

Dated this ____ day of ____ , 2008.