

RETENTION INCENTIVE AGREEMENT

This Agreement is by and between The City of Tacoma, Department of Public Utilities, Light Division, dba Tacoma Power (Employer), and Employee.

Recitals

Employee is an at-will employee of Employer, and is essential to the Click! Network business unit of Tacoma Power.

As an essential employee, Employee possesses certain knowledge and skills that are essential to the ongoing operation of Click! Network.

Employer is considering a business transaction which, if consummated, could alter or curtail Employer's operation of Click! Network and could affect Employee's employment.

It is in Employer's interest that Employee apply attention and efforts to the operation of Click! Network while the transaction is under consideration.

Should the transaction move forward, it is in Employer's interest that Employee apply attention and efforts to implementation of the transaction through the end of a "transition period" which will be defined in the agreements documenting the transaction.

Considering Employer's need for Employee to apply attention and efforts to the operation of Click! Network and to implementation of the transaction, Employer desires to offer Employee an incentive to remain an employee of Click! Network during the period of consideration and implementation of the transaction.

Pursuant to Tacoma Municipal Code (TMC) Sections 1.12.110 H and I, the Director of Utilities has authority to enter into this Agreement

Term

The Term of this Agreement shall begin on the Effective Date, and shall terminate on December 27, 2019. The Effective Date shall be the first day on which this Agreement has been executed by both Employer and Employee. The termination date of this Agreement may be extended upon mutual agreement between Employer and Employee in writing.

Retention Incentive

If during the Term of this Agreement:

- (i) Upon completion of their time deemed as essential by the Director of TPU, or
- (ii) Until Click! ceases operation as a City-owned entity, or
- (iii) Until the City Council and Public Utility Board adopt a resolution to end the pursuit of a public-private partnership agreement, whichever is first;

Then Employer shall pay to Employee a one-time Retention Incentive, lump sum payment of \$15,000 in compensation for their successful contribution to the transition of Click! operations.

In addition, throughout the period that Employee is deemed essential under the provisions of the agreement, such employees shall receive one (1) floating holiday (8 hours) every two (2) months during the time they are employed by Click! The first will be awarded on 4-1-19 and every two months thereafter.

Accepting this incentive shall not prohibit employment at the City in another capacity after the time period deemed essential is served. Payments are subject to normal and customary deductions and taxes.

Other Provisions

Nothing in this Agreement shall alter the at-will nature of the employment relationship between Employer and Employee.

The aggregate total of any Retention Incentive actually paid shall not exceed the authority of the Director of Utilities pursuant to Tacoma Municipal Code (TMC) Sections 1.12.110 H and I.

Any Retention Incentive actually paid shall be in addition to all other compensation and monies owed and accrued to the Employee through December 27, 2019.

If Employee's employment with Employer is terminated by Employer for cause or for reasons not related to the business transaction described herein, then no Retention Incentive shall be provided to Employee.

Director of Utilities

Employee (print and sign)

Power Superintendent

Human Resources Director

Finance Director

Chief Deputy City Attorney

SEVERANCE PAYMENT AGREEMENT

This Agreement is by and between The City of Tacoma, Department of Public Utilities, Light Division, dba Tacoma Power (Employer), and Employee.

Recitals

Employee is an at-will employee of Employer. Employer is considering a business transaction which, if consummated, could alter or curtail Employer's operation of Click! Network and could affect Employee's employment.

Considering the uncertain effect of the transaction on Employee's employment, Employer desires to provide for the Employee's welfare if Employee's employment is terminated by Employer in connection with the transaction.

Pursuant to Tacoma Municipal Code (TMC) Sections 1.12.110 H and I, the Director of Utilities has authority to enter into this Agreement

Term

The Term of this Agreement shall begin on the Effective Date, and shall terminate on December 27, 2019. The Effective Date shall be the first day on which this Agreement has been executed by both Employer and Employee. The termination date of this Agreement may be extended upon mutual agreement between Employer and Employee in writing.

Severance Payment

If during the Term of this Agreement:

- (i) The Employee is laid off;
- (ii) The Employee does not accept another position at the City of Tacoma prior to layoff;
and
- (iii) The Employee executes a release of any claims against the City of Tacoma;

Then Employee shall be entitled to a lump sum severance payment equal to eighty (80) hours of the Employee's base salary for each full year of the Employee's employment in the Click! business unit, up to a maximum of four hundred and eighty (480) hours.

In addition, any employee laid off through this process will receive the equivalent of four (4) month's medical insurance premiums COBRA coverage (including vision and dental) in a lump sum payment.

These payments shall be subject to normal and customary taxes.

Other Provisions

Nothing in this Agreement shall alter the at-will nature of the employment relationship between Employer and Employee.

The aggregate total of any Retention Incentive and any Severance Payment actually paid shall not exceed the authority of the Director of Utilities pursuant to Tacoma Municipal Code (TMC) Sections 1.12.110 H and I.

Any Severance Payment actually paid shall be in addition to all other compensation and monies owed and accrued to the Employee through December 27, 2019.

If Employee's employment with Employer is terminated by Employer for cause or for reasons not related to the business transaction described herein, then no Retention Incentive or Severance Payment shall be provided to Employee.

Director of Utilities

Employee (print and sign)

Power Superintendent

Human Resources Director

Finance Director

Chief Deputy City Attorney