

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is by and between Katherine B. Miller ("Miller") and the Board of County Commissioners of Santa Fe County ("Board").

RECITALS

WHEREAS, the Board desires to hire a county manager to serve as the chief administrative officer of county government in Santa Fe County; and

WHEREAS, the position of county manager is an exempt position not subject to the provisions of the Santa Fe County Human Resources Handbook; and

WHEREAS, the Board desires to retain Miller to serve and be employed as the county manager of Santa Fe County ("County Manager"), and Miller is willing to undertake this employment and become County Manager; and

WHEREAS, the parties hereto desire to commit to writing their agreements and understandings with respect to such employment.

THEREFORE, in consideration of the mutual promises and agreements set forth herein, the parties agree as follows:

I. EMPLOYMENT; DUTIES AND AUTHORITY

A. Employment. Effective on September 2, 2010 and subject to the terms of this Agreement, the Board hereby employs, and Miller hereby accepts employment, as County Manager.

B. Duties and Authority.

1. General Duties and Authority. As County Manager, Miller shall perform to the satisfaction of the Board all such directives, duties and functions as the Board may direct, assign, or request from time to time, and shall conduct the business of the county, serve as personnel officer, fiscal director, budget officer, property custodian and to act generally as the administrative assistant to the Board, aiding and assisting it in the exercise of its duties and responsibilities, all as provided in NMSA 1978 § 4-38-19 and all other applicable state law.

2. Specific Management Duties. In addition, without limiting the general nature of the foregoing and subject to the orders, directives, assignments, and requests of the Board as a whole, Miller shall be responsible for the direct management and supervision of, and have the authority to directly manage and supervise, all departments of the County which are not managed by other elected officials, including without limitation, Growth Management, Public Works, Corrections Department, County Attorney, Administrative Services and Community Services. Miller shall be responsible for selecting, retaining or hiring such persons to act as department directors and all other

personnel required to operate such departments effectively and efficiently as Miller shall deem appropriate. Said department directors shall report to the County Manager.

3. Organizational Review. Not later than six (6) months from the effective date of Miller's employment, Miller shall submit to the Board a report reviewing the organizational structure of the County and make recommendation, if any, regarding the potential for improving the efficiency, cost effectiveness and accountability of all departments.

II. COMPENSATION

A. The Board shall pay the County Manager an annual base salary of \$155,000, effective beginning September 2, 2010. Annually (but not later than the anniversary date of this Agreement), the Board shall evaluate the County Manager's job performance and, upon a finding of satisfactory performance, may, in its absolute discretion, increase the County Manager's base salary. The County Manager shall receive pay increases commensurate with cost of living pay increases afforded to all County employees in any fiscal year.

B. The County will reimburse the County Manager for all necessary and appropriate expenses incurred while on County business in accordance with the provision of applicable law and County policy and directives.

III. EMPLOYMENT BENEFITS

A. The County Manager shall be entitled to all benefits provided to County employees. Such benefits will include but not be limited to accrual of annual leave and sick leave in accordance with the Santa Fe County Human Resources Handbook, and provision of health and life insurance and PERA benefits.

B. In addition to the foregoing and notwithstanding any provision of the Santa Fe County Human Resources Handbook to the contrary, the County Manager shall have the following benefits: (1) the right to carry over from year to year all accumulated annual leave, without limit, except that the County shall not be obligated to compensate the County Manager for any accumulated annual leave in excess of 360 hours; (2) the accrual of eighty (80) hours of administrative leave upon the signing of this Agreement with any unused administrative leave expiring upon twelve (12) months of the effective date of this Agreement; (3) the accrual of annual leave at the rate of 6.5 hours per pay period; and (4) the County Manager may pursue professional development courses and higher education, including the pursuit of a masters degree in public administration, finance or some other field related to her employment with the County, which professional development and education may be paid for by the County upon review and with sufficient budget, provided that the attendance of said courses shall not interfere with or otherwise limit the County Manager's ability to perform her duties and responsibilities under this Agreement. If County Manager shall desire to enroll in and attend such professional development or educational course or training, then County Manager shall give the Board written notice (with a copy to the Human Resources Director) in advance specifying the dates, the nature of the course or training, and the costs thereof. The Board shall be deemed to have approved County Manager's attendance of the course and training, including the payment thereof, unless

the Board shall notify County Manager (within thirty (30) calendar days of receipt of the notice) that the Board, in its sole discretion, does not approve of County Manger's attendance of the course or training.

IV. AUTOMOBILE ALLOWANCE

The County Manager's duties require the exclusive use of an automobile at all times during employment. The County Manager shall be entitled to receive an automobile allowance in lieu of being provided with an automobile for her use in the amount of Three Hundred Twenty-Five Dollars (\$325) each month.

V. TERM

A. The County Manager shall remain in the exclusive employ of the County through the term of this Agreement or until this Agreement is terminated under one of the termination provisions hereinafter. The County Manager shall not be prohibited from engaging in occasional teaching, writing or consulting performed during time off, provided that such activity does not conflict with her official duties.

B. Unless renewed or extended, this Agreement shall terminate on September 1, 2013.

VI. TERMINATION

This Agreement may be terminated as follows:

A. With Cause. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of the County Manager at any time, with cause. The term "with cause" as used in this Agreement means a material failure by the County Manager to fulfill her duties and responsibilities under this Agreement. The County Manager shall be given notice of such potential action and be provided with the opportunity to appear before the Board in executive session to discuss the proposed termination. The Board's determination that cause exists shall be final and subject to no additional administrative review or appeal. The Board is under no obligation to and may not provide for severance pay if the County Manager is terminated "with cause." Nothing in this Paragraph VI.A shall be construed or interpreted to mean that Miller waives any claim, cause of action, or rights of any kind or type she may have or wish to bring arising out of a termination for cause. It is expressly understood and agreed that Miller reserves and retains all rights, claims and causes of action arising out of a termination that is in breach of this Agreement or otherwise wrongful, unlawful or actionable. It is expressly agreed that Miller reserves the right to challenge or contest in a court of law a determination by the Board that cause exists for termination.

B. Without Cause. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of the County Manager at any time, without cause. In the event the County Manager is involuntarily terminated by the Board without cause, the County Manager shall be provided at least thirty (30) days notice in advance of the date of such termination. Such notice may also include the provision that the County Manager will no longer perform any of her employment duties during that period and, in that

event, the County Manager would serve out the 30-day period on administrative leave. The County Manager will also be provided with a lump sum payment of the severance pay specified in this Agreement. The specified severance shall be paid upon termination.

C. Resignation. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the County Manager to resign at any time from her position. If the County Manager terminates employment voluntarily, the County Manager shall consult with the Board to develop a reasonable departure schedule. No severance pay shall be provided upon the County Manager's voluntary resignation.

VII. SEVERANCE PAY

The County Manager will be entitled to a lump sum cash payment equal to three (3) months' aggregate salary if this Agreement is terminated without cause as provided in Article VI.B of this Agreement. Severance pay will be paid no later than the next regular County pay day after termination.

VIII. APPROPRIATIONS

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the County to the County Manager. The County's determination as to the availability of sufficient appropriations will be accepted by the County Manager and will be final. If the Board determines that there are not sufficient appropriations and this Agreement is terminated, expires or Miller's employment is ended by reason thereof, then such termination, expiration or ending of employment hereunder shall be deemed and have the effect of a termination of this Agreement by the Board without cause, and the provisions of Paragraph VI.B above shall apply, including without limitation, the requirement of lump sum payment of severance pay.

IX. MERGER, SEVERABILITY, GOVERNING LAW, VENUE

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 and executors of the parties. 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 not be affected and shall remain in full force and effect. The laws and regulations of the State of New Mexico will govern this Agreement and venue for any action hereunder will lie in Santa Fe, New Mexico.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

[BALANCE OF PAGE INTENTIONAL LEFT BLANK;

SIGNATURE PAGE FOLLOWS]

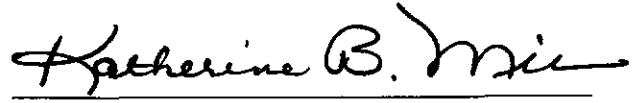
**THE BOARD OF COUNTY
COMMISSIONERS OF SANTA FE
COUNTY**

COUNTY MANAGER

By:




Harry B. Montoya, Chair




Katherine B. Miller

ATTEST:



Valerie Espinoza, County Clerk

APPROVED AS TO FORM:



Stephen C. Ross, County Attorney