

ORDINANCE NO. 1668

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDED INTERIM CITY ADMINISTRATOR CONTRACT WITH THE INTERIM CITY ADMINISTRATOR

WHEREAS, the City of Canby has employed Randy Ealy as Interim City Administrator since June 23, 2025, and the current Interim City Administrator Contract expires on June 30, 2026;

WHEREAS, Randy Ealy has been and continues to be in good standing with the City of Canby in his Interim role; and

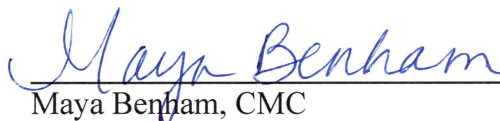
WHEREAS, the parties wish to amend the Interim City Administrator Contract to expire on December 31, 2026.

NOW, THEREFORE, THE CITY OF CANBY, OREGON, ORDAINS AS FOLLOWS:

Section 1. The Mayor is hereby authorized on behalf of the City to enter into the Amended Interim City Administrator Contract, which is attached to this Ordinance as Exhibit A.

Section 2. The effective date of this Ordinance shall be May 15, 2026.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, April 1, 2026, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, April 15, 2026 commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.



Maya Benham, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 15th day of April, 2026 by the following vote:

YEAS 6

NAYS 0



Brian Hodson
Mayor

ATTEST:



Maya Benham, CMC
City Recorder

INTERIM CITY ADMINISTRATOR CONTRACT

A CONTRACT between THE CITY OF CANBY, OREGON ("City"), and Randy Ealy ("Employee").

WHEREAS, City and Employee believe it is in their mutual interest to enter into a written contract setting out their understandings concerning the Employee's provision of executive city management services for the City as the Interim City Administrator.

1. Term

This contract shall become effective on July 1, 2026. The Employee shall be hired as a limited term, temporary employee of the City from July 1, 2026, to December 31, 2026, or until such time as a permanent City Administrator is hired and can assume the duties and responsibilities as City Administrator or the contract is either mutually amended or otherwise terminated as set forth in Section 5 below.

2. Employee Duties

City employs the Employee to serve as the Interim City Administrator and to exercise all of the executive, leadership, and governmental responsibilities vested in the position of City Administrator under the City Charter and City Code, and to perform other legally permissible and proper duties and functions of the City Administrator as may be assigned to him by the City Council. The Employee accepts the Council's appointment and employment as Interim City Administrator for the City of Canby. The Employee's duties are limited as set forth in the Charter.

The City shall provide the Employee with a City-issued cellphone and laptop for the Employee's use for City business.

3. Compensation

A. City agrees to pay the Employee fifteen thousand dollars (\$15,000) per month in wages payable on the same schedule as it pays the City's regular employees and subject to all withholdings required by law.

B. The Employee shall be entitled to take and be compensated for any City observed holiday occurring while employed during the term of this contract.

C. The Employee agrees that he has not been promised nor will he receive other benefits that are generally available to other City employees unless set forth expressly herein.

D. City agrees to provide workers' compensation insurance coverage for the

Employee consistent with the City's Employee Handbook.

E. The Employee will receive Public Employee Retirement Benefits (PERS) consistent with state law and consistent with City policy.

F. Beginning November 1, 2026, the City agrees to pay \$2,000 per month for medical benefits for the Employee, as selected by the Employee. Payments will begin November 1, 2026, and will be made through regular payroll and will be subject to all withholdings required by law.

G. The Employee will receive \$1,500 per month in deferred compensation in lieu of medical benefits through October 31, 2026. Beginning November 1, 2026, the City will contribute to the Employee's deferred compensation in the amount equal to the amount that the Employee contributes, but not to exceed five percent of the Employee's wages under Section 3(A), per month.

4. Supervision and Control

The Employee shall report to the City Council in the carrying out and implementation of his duties. The Employee will have the authority granted the City Administrator as set forth in the Canby City Charter, Canby City Code, and any applicable rules, regulations, and policies.

5. Separation

A. Resignation. The Employee may resign at any time with 30 calendar days' advance written notice to the Mayor.

B. Termination and Removal.

1. It is understood that the Employee works at-will and that this contract may be terminated by the City at any time without cause upon thirty (30) calendar days' written notice of intent to terminate.
2. The City may immediately terminate this contract for cause if:
 - a. Employee fails or refuses to comply with the written policies, standards, and regulations of the City that are now in existence or that may, from time to time be established;
 - b. The City has reasonable cause to believe Employee has committed fraud, misappropriated City funds, goods, or services to either his own or some other private third party's benefit, and/or

other act(s) or misconduct which the City Council believes is/are detrimental to the City and/or its interests;

c. Employee is unable to perform his job functions; or

d. Employee is not bondable at normal rates.

3. If the City terminates this contract pursuant to Section 5(B)(1), the Employee shall receive two (2) months' salary as severance compensation, provided the Employee signs a full and final release of all claims, known or unknown, arising out of his employment or termination from employment, as a condition precedent to receiving severance compensation. Severance shall be paid in one lump sum within ten (10) business days of the effective date of separation and receipt of signed release of all claims.

6. Hours of Work.

The Employee is expected to be present at City Hall during the City's normal business hours during the workweek, unless otherwise attending meetings on behalf of the City at alternate locations. He will attend all City Council work sessions, regular meetings, and other meetings as requested by the Council.

7. Law of Oregon

The contract shall be governed by the laws of the State of Oregon. Venue shall be in Clackamas County, Oregon.

8. Indemnification

Consistent with the Oregon Tort Claims Act, City shall defend, hold harmless, and indemnify the Employee against any claim or legal action arising out of the Employee's discharge of his duties under this Contract and within the scope of his employment.

9. Mediation/Trial without a Jury

Should any dispute arise between the parties to this Contract, it is agreed that such dispute will be submitted to a mediator prior to any litigation and the parties hereby expressly agree that no claim or dispute arising under the terms of this Contract shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. Any litigation arising under or as a result of this contract shall be tried to the court without a jury. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Portland, Oregon unless both parties agree in writing otherwise. Both

parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a party requests mediation and the other party fails to respond within ten (10) days or if the parties fail to agree on a mediator within ten (10) days, a mediator shall be appointed by the presiding judge of the Clackamas County Circuit Court upon the request of either party. The parties shall have any rights at law or in equity with respect to any dispute not covered by this Section.

10. Conflict of Interest/Outside Employment

The Employee shall not engage in any activity, business or transaction or have a financial or personal interest or association, direct or indirect which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of his duties under this Contract. The Employee also agrees not to accept any outside employment during the term of this Contract.

11. Performance Evaluations

The City Council and the Employee will conduct quarterly discussions to review performance.

12. Leave

The Employee will accrue paid vacation and sick leave at the same rate as other non-represented employees, which shall be an amount prorated from the annual 120 paid vacation hours and 96 sick hours based on the term of this contract. The Employee may use vacation and sick leave in accordance with applicable City policy and state law. The Employee shall receive 40 hours of paid administrative leave upon the effective date of this contract.

13. Assignment.

The Employee may not assign any interest in this Contract and shall not transfer any interest in the same.

14. Modification

Any modification of the provisions of this Contract shall be reduced to writing and signed by the parties.

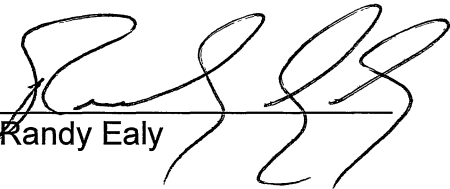
15. No Waiver of Legal Rights

A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

16. Integration and Severability

This Contract contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject. If any clause, sentence, or section of this Contract is found to be illegal or unenforceable, such clause, sentence, or section so found shall be regarded as though it were not part of this Contract and the remaining parts of this Contract shall be fully binding and enforceable by the parties hereto.

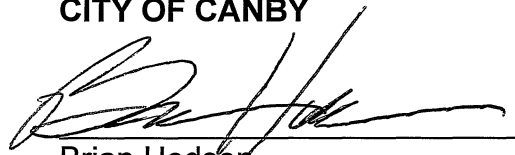
THE EMPLOYEE



Randy Ealy

5/15/24
Date

CITY OF CANBY



Brian Hodson
Mayor

5/15/24
Date