

**EMPLOYMENT AGREEMENT**  
With  
**CHRIS MIKKELSEN**

THIS AGREEMENT is made effective as of the 17<sup>th</sup> day of September, 2023 (the "**Effective Date**") between the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, a public entity, located in Humboldt County, California, herein referred to as "**District**", and Chris Mikkelsen, herein referred to as "**Employee**".

The parties recite that:

- A. District is a public entity with legal duties, powers and obligations set forth in Sections 1 through 83 of Appendix 2 of the Harbors and Navigation Code of the State of California.
- B. Employee has been employed by the District since July <sup>2019</sup>~~2023~~ pursuant to that written Employment Agreement dated July 23, 2019, as amended by that written First Amendment to Employment Agreement dated December 8, 2022 (collectively, the "**Original Agreement**").
- C. The District's current Executive Director, Larry Oetker, intends to retire from the District effective December 31, 2023.
- D. Employee currently serves as the Deputy Executive Director, and the Board of Commissioners (the "**Commission**") of the District desires to appoint Employee as the Executive Director as of December 1, 2023.
- E. Employee is willing to continue his employment with District, and District is willing to employ Employee on the terms and conditions hereinafter set forth.
- F. The District and Employee intend by this Agreement to replace and supersede the Original Agreement as of the Effective Date of this Agreement, except for those provisions of the Original Agreement that are stated to expressly survive the expiration or termination of said agreement.

**FOR THE REASONS SET FORTH ABOVE, AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES OF THE PARTIES HERETO, DISTRICT AND EMPLOYEE COVENANT AND AGREE AS FOLLOWS:**

- 1. Pursuant to this Agreement, Employee's employment as the Deputy Director for the Humboldt Bay Harbor, Recreation and Conservation District is extended until earlier of (i) December 1, 2023 or (ii) such time that Mr. Oetker is no longer employed by the District as the Executive Director (as applicable, the "**ED Assumption Date**"), and Employee hereby accepts and agrees to such extended employment under the terms and conditions set forth in this Agreement. As of the ED Assumption Date, Employee shall be employed as the Executive Director of the District, and Employee hereby accepts and agrees to such employment under the terms and conditions set forth in this Agreement.
- 2. Subject to the "at will" nature of this Agreement, and without modifying the "at will nature" of Employee's employment with the District under this Agreement, the term of this Agreement shall extend through December 31, 2025, unless sooner terminated in accordance with this Agreement (the "**Term**").

3. Employee shall, for such time as he is employed as the Deputy Director, perform and complete the services and tasks set forth in the Original Agreement and such further and additional tasks as reasonably assigned by the Executive Director. Upon his assumption of the role of Executive Director, Employee shall perform and complete the services and tasks set by the Commission.
4. Employee shall at all times faithfully, industriously, and to the best of his ability, experience, and talent perform all duties that may be required pursuant to the expressed and implicit terms as set forth by the Commission. Such duties shall be rendered in Humboldt County, California and at such other place or places as District shall in good faith require or the interest, and needs or requests of District shall require or make advisable.
5. Notwithstanding the term of this Agreement set forth in Section 1, above, Employee shall serve in the position of Deputy Director and Executive Director at the will and pleasure of the Commission. The Commission or Employee may terminate this Agreement and terminate Employee's employment with or without cause at any time, subject to the following:
  - a. In the event Employee desires to terminate employment with the District as either the Deputy Director or Executive Director, it is expected that Employee shall give to District a minimum of thirty (30) days written notice of said intention to terminate. Employee shall be compensated for accrued benefits to the date of termination in accordance with the provisions of the Personnel Policy.
  - b. Once Employee assume the role of Executive Director, in the event the Commission desires to terminate Employee's employment with the District without cause, the District shall provide Employee not less than six (6) months' prior written notice of the date of termination. In the event less than six (6) months' notice is given, the District shall pay to Employee on the effective date of the termination a lump sum amount equal to: (i) all unpaid salary and accrued vacation through the date of termination, (ii) an amount equal to Employee's salary that the District would have otherwise paid but for the termination from the date of termination to the date that is six months after the date of the termination notice; (iii) an amount equal to the District's contribution towards Employee's health, dental, and vision insurance benefits (to the extent then provided under the District's Personnel Policy) that the District would have otherwise paid but for the termination from the date of termination to the date that is six months after the date of the termination notice; (iv) an amount equal to the District's contribution towards CalPERS on behalf of Employee (to the extent then provided under the District's Personnel Policy) that the District would have otherwise made but for the termination from the date of termination to the date that is six months after the date of the termination notice; and (v) an amount equal to the District's contribution towards Employee's 401k or other retirement fund (to the extent then provided under the District's Personnel Policy) that the District would have otherwise paid but for the termination from the date of termination to the date that is six months after the date of the termination notice.

This provision shall not apply (i) in the event Employee is terminated for cause or (ii) Employee is terminated without cause before he assumes the role of Executive Director.
6. Effective September 17, 2023, District shall pay Employee and Employee agrees to accept from District, in full payment of Employee's services for his hereunder, an annualized salary of \$145,000, payable pursuant to the District's normal payroll

process, through and including December 31, 2024. Additionally, Employee shall receive a one-time \$5,000 lump sum performance bonus if, during the Term, all necessary Coastal Development Permits are received from the California Coastal Commission approving the development and operation of the District's proposed new heavy lift terminal at Redwood Marine Terminal I.

Employee's current accrued but unused vacation balance as of the Effective Date shall remain intact under this Agreement. Commencing each January 1 during the Term of this Agreement, Employee shall accrue three (3) weeks (15 days) of paid vacation per calendar year.

In addition to the above-vacation time, and in recognition that the Executive Director position often requires Employee to spend some time conducting District business while on vacation, as of January 1, 2024, and each year thereafter during the Term, Employee shall be entitled to take up to an additional ten (10) days of managerial time off, in which he may be out of the office all or part of the days for combined personal time off and for conducting District business while offsite. Notwithstanding anything in this Agreement or the District's personnel policies to the contrary, managerial time off is not considered a vested benefit and, accordingly, any unused managerial time off shall not carry over to the next calendar year nor be payable upon separation of employment.

In addition to the foregoing, Employee shall receive the employee benefits for full time employees as now established by the District's Personnel Policy, or different employee benefits as may be modified or established by the District in the future. However, nothing in this section or any other part of this Agreement shall be interpreted as preventing or precluding the District from rescinding, amending or otherwise modifying the existing Personnel Policy or from adopting additional personnel policies or procedures concerning the employment, including but not limited to modifications of the benefits of employment. Unless approved by the Commission, Employee shall not be entitled to salary increases that may be provided to other District employees during the Term of this Agreement.

In addition to the foregoing, at the District's expense (including necessary travel and lodging), Employee may take up to ten (10) days off without a reduction in compensation to attend a Port Management or Executive Leadership course, which shall be approved by the Commission, within the first twelve (12) months of the Effective Date.

7. Employee's salary, job duties and performance shall be reviewed annually at the November regular meeting by the Commission. The Commission may, in its discretion, review Employee's performance more frequently than annually if it so elects. If, following the annual review in November of 2024, the Commission collectively determines, in its sole and absolute discretion, that Employee has performed his duties satisfactorily, Employee's annual salary for the subsequent calendar year shall be increased to \$155,000 as of January 1, 2025.
8. Employee shall devote his full time, attention, knowledge and skill solely and exclusively as the Deputy Executive Director or the Executive Director, as applicable, to the business and interest of the District. The positions are exempt within the meaning of the California Labor Code for the purposes of wage and hour provisions. Employee's workweek is not necessarily limited to 40 hours per week. Employee may be expected to work more than 40 hours per week if required to perform his duties at the regular monthly salary with no provision for overtime pay.

9. Employee is an unclassified employee as the Deputy Executive Director or Executive Director, as applicable. The positions are Executive Director not entitled to participate as a member of the Operating Engineers Local Union No. 3, AFL-CIO, pursuant to the Union Contract with District, and Employee is not included as a member of the bargaining unit represented by the Union.
10. Employee shall abide by all applicable provisions of District's Personnel Policy as amended and with all other District policies and procedures currently in force or as may be implemented during the term of employment.
11. This written Agreement contains the sole and entire agreement between the parties. It supersedes any and all other agreements between the parties, including but not limited to any oral discussions concerning employment or the Original Agreement. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this Agreement or any representations including the execution and delivery hereof except such representations as are specifically set forth herein, and each party acknowledges that he/she or it has relied on his/her or its own judgment in entering into this Agreement. The parties further acknowledge that any statements or representations that may have heretofore been made by either of them to the other are void and of no effect and that neither of them has relied thereon in connection with his or its dealings with the other.
12. No waiver of modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith.
13. This Agreement and performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with the laws of the State of California. In any action, special proceeding, or other proceedings that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of California shall be applicable and shall govern to the exclusion of the law of any other form. Any legal proceedings or actions arising out of this agreement shall be venued in Humboldt County, California.

Executed at Eureka, Humboldt County, California, on the date first above written.



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Chris Mikkelsen, Employee

HUMBOLDT BAY HARBOR, RECREATION AND  
CONSERVATION DISTRICT

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By: Greg Dale, President