

FOR IMMEDIATE RELEASE

Contact: Jim Voetberg
City Manager

541.574.0603

CITY'S INSURANCE COMPANY REACHES SETTLEMENT IN RENO LAWSUIT

Attorneys for CCIS, the City of Newport's insurance company, and Dennis Reno, the city's former Airport Director, have reached a settlement in the lawsuit that Reno filed against the city in 2010.

The terms of the settlement include payments to Reno and his attorneys totaling \$210,000 to settle claims against the city. CCIS will pay \$150,000, and the city will pay \$60,000 to settle this suit. The settlement also includes dismissal of all claims against Jim Voetberg and former Mayor Bill Bain individually; and a provision that Reno will not apply for any city position in the future.

Voetberg was pleased that CCIS and Reno have agreed to the settlement. He stated, that "with this settlement, the city can concentrate on building on its successes and making positive change."

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SETTLEMENT AGREEMENT

BETWEEN: Dennis Reno ("Reno")
AND: City of Newport ("Newport")

RECITALS

- A. Reno filed a lawsuit against Newport, William Bain, and Jim Voetberg, entitled *Dennis Reno v. City of Newport an Oregon municipal corporation, William D. Bain, an individual, and Jim Voetberg, an individual*, United States District Court for the District of Oregon, Case No. 6:10-cv-00536-HO and now numbered 6:10-cv-00536-AA ("Lawsuit").
- B. The parties to the Lawsuit wish to settle the Lawsuit, and therefore enter into this settlement agreement ("Agreement").

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and promises set forth below and the recitals set forth above, which are hereby incorporated by reference, the parties to this Agreement agree as follows:

1. Reno agrees to dismiss his claims against Bain and Voetberg with prejudice, and without an award of attorney fees or costs to any of the parties to the Lawsuit, before this Agreement is executed by Reno and Newport.
2. Newport shall pay Reno and his attorneys a total of \$210,000 (Two Hundred Ten Thousand and 00/100 dollars) within ten days after this Agreement is fully executed, as follows:
 - a. Costs: Newport shall pay \$10,000 (Ten Thousand and 00/100 Dollars) by a check made payable to the order of "Buchanan, Angeli, Altschul & Sullivan LLP" for Reno's costs in the Lawsuit.
 - b. Non-Economic Damages and Attorney Fees: Newport shall pay \$185,000 (One Hundred Eighty Five Thousand and 00/100 Dollars) by a check jointly payable to the order of "Dennis Reno and the Buchanan, Angeli, Altschul & Sullivan LLP Trust Account" for Reno's non-economic damages and attorney fees. This payment is not intended in any way as payment for loss of wages or fringe benefits.
 - c. Economic Damages: Newport shall pay Reno \$15,000 (Fifteen Thousand and 00/100 Dollars) for his economic damages by a check made payable to the order of "Dennis Reno." This payment is intended as payment for Reno's claims for loss of wages and fringe benefits. This check will be in the form of a payroll check with withholdings as required by state and federal law.

3. Newport and Reno agree that all reference checks on Reno from prospective employers shall be directed to the City Recorder. The City Recorder shall provide Mr. Reno's job title and his dates of employment, shall state that he was terminated without cause after a change in city management, and shall provide a copy of the Employee Evaluation attached hereto as Exhibit 1.

4. Reno agrees that the Lawsuit shall be dismissed with prejudice and without an award of attorney fees and costs to any of the parties to the Lawsuit. Reno shall file with the court any and all motions or other documents which are necessary to obtain a dismissal of the Lawsuit under these terms within ten days after the execution of this Agreement.

5. Reno hereby releases and discharges Newport, Bain and Voetberg, and all of Newport's current and former employees, agents, officers and insurers, and their successors and assigns, from any and all claims, known or unknown, arising out of or related to Reno's employment by Newport, the termination of his employment by Newport, and his efforts to be rehired by Newport following the termination of his employment. This release includes, but is not limited to, all claims that actually were, or could have been, alleged in the Lawsuit. This release includes, but is not limited to, all claims under (a) Oregon state statutes, including Oregon Revised Statutes Chapters 652, 654, 656, 659 and 659A; (b) federal statutes, including Title VII of the Civil Rights Act of 1964, and (c) Oregon common law, whether based in tort, contract or otherwise.

6. Newport hereby releases and discharges Reno, and his successors and assigns, from any and all claims, known or unknown, arising out of or related to Reno's employment by Newport, and the termination of his employment by Newport. This release includes Reno's liability for any further obligation to repay Newport under the terms of the Repayment and Deduction from Pay Agreement between Reno and Newport, beyond those payments Reno has already made as of the effective date of this Agreement. This release includes, but is not limited to, all claims that actually were, or could have been, alleged in the Lawsuit. This release includes, but is not limited to, all claims under (a) Oregon state statutes, including Oregon Revised Statutes Chapters 652, 654, 656, 659 and 659A; (b) federal statutes, including Title VII of the Civil Rights Act of 1964, and (c) Oregon common law, whether based in tort, contract or otherwise.

7. Reno acknowledges he has been represented by counsel, Andrew Altschul. Reno agrees he has reviewed the terms of this Agreement with his attorney, understands those terms, and voluntarily accepts such terms as the entire agreement between the parties. Reno acknowledges that he has been given 21 days to review this Agreement. Reno understands that, among the claims he is waiving and releasing, are any and all claims under the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq. Reno further acknowledges that he will have seven days after signing this Agreement to revoke this Agreement in writing to Newport. After the seven-day period passes without revocation, the Agreement will become final and binding.

8. Reno hereby withdraws any and all applications for employment with Newport which he has submitted since the termination of his employment by Newport. Reno agrees never to re-apply for employment with Newport. This agreement does not limit Reno from

running for any elective office for Newport.

9. Reno covenants that he is the sole owner of the claims covered by this Agreement and that no person, company or concern has acquired any part, lien or claim on any of the claims herein released or on any of the settlement proceeds. Reno agrees to indemnify and save Newport harmless from anyone claiming or purporting to have any such interest.

10. All payments called for by this Settlement Agreement shall be reported as may be required (if at all) by applicable law. Reno shall be responsible for payment of all taxes on the payments he receives under this Agreement for which he is legally responsible.

11. This Agreement is executed solely for the purpose of resolving disputed claims. This Agreement does not constitute an admission of liability by any of the parties hereto, nor does it constitute an admission of disputed facts.

12. The undersigned parties warrant that no promise or inducement has been offered except as herein set forth; that this Agreement is executed without reliance upon any statement or representation by the persons or entities released, or their representatives, concerning the nature and the extent of the damages or the legal liability therefor; that each of the undersigned is of legal age, legally competent and authorized to execute this Agreement and accept full responsibility therefor.

13. This Agreement is governed by the laws of the State of Oregon.

14. This Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital.

15. This Agreement may be executed in counterparts, each of which shall be deemed an original and together shall constitute one in the same Agreement.

Dated: December 11, 2012.

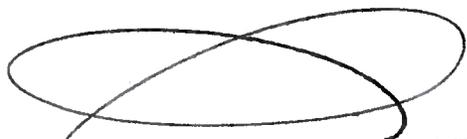
Dated: December 10, 2012.

CITY OF NEWPORT

By:



Jim Voetberg
City Manager



Dennis Reno

00385281.DOC;1

EMPLOYEE EVALUATION

Name: Dennis Reno Date: _____
 Job Position: Airport Director Department/Division: Airport
 Time in current position: 6 yrs, 9 months
 Immediate Supervisor: Allen O'Neal
 Reason for review: (scheduled) probationary/ special

SECTION I: Job Performance: Consider present knowledge of the techniques, skills, equipment, procedures and/or materials to do the job.

1. **Quality of work:** Consider freedom from errors and mistakes; accuracy; neatness general quality of work.
- Consistently below standard, consistently makes errors, requires excessive checking and rework
 - Is careless and often makes mistakes. Work is marginally acceptable
 - Makes no more mistakes than should be expected. Work is acceptable
 - Most assignments completed above standard makes few errors and mistakes
 - Consistently turns out highest quality work, final job nears perfection

Comments:

2. **Quantity of work:** Consider actual work accomplished in relation to the results expected; speed of performance.
- Contributes extremely low output. Fails to meet minimum standards
 - Amount of work is occasionally below standard
 - Expected amount of work normally done
 - Above expected quantity is usually produced
 - Work output always well above standard

Comments:

3. **Comprehension:** Consider present knowledge of the techniques, skills, equipment, procedures and/or materials to do the job.
- Has many problems understanding the nature of the work
 - Has been able to perform portions of the job, but unable to completely handle from beginning to end
 - Understands routine duties, needs normal amount of assistance & job instruction
 - Able to perform most aspects of position with little or no additional direction
 - Understands all phases of required duties; able to take on special projects with no assistance

Comments:

4. **Cooperation with co-workers:** Consider tactfulness, helpfulness & courtesy to co-workers; ability to work with co-workers

- Failure to get along with co-workers and frequently hampers progress of work
- Needs improvement in getting along with co-workers
- Cooperation consistent with needs of the job
- Goes the extra distance to maintain harmony

Comments:

Thanks for supporting fellow Dept. heads =

5. **Public Relations:** Consider tactfulness, helpfulness & courtesy to the public and/or co-workers/volunteers; how employee presents self; ability to handle stressful situations

- Abusive and/or non-responsive to public, co-workers/ volunteers
- Needs improvement in responding to public, co-workers/volunteers
- Courteous and responsive to public, co-workers/volunteers
- Expends extra effort to assist the public, co-workers/volunteers

Comments:

6. **Judgment:** Consider degree to which employee shows good sense, and thinks before acting and making decisions

- Fails to make sound/logical conclusions, resulting in wasted time, damage to equipment, bad public image
- Needs improvement in reaching sound and logical conclusions
- Generally makes sound conclusions or seeks further direction from supervisor
- When confronted with new situations, makes careful and thoughtful decisions anticipating problems/needs

Comments:

Please - "color in the lines"

7. **Initiative:** Consider degree to which employee is a self-starter; makes constructive suggestions; completes own assignments

- Never volunteers to undertake work, requires constant prodding to do work
- Rarely shows some initiative, needs some prodding to do work
- Seldom seeks new tasks but will accept new responsibilities when necessary, occasionally makes suggestions
- Will seek new tasks. Often makes suggestions
- Is defiantly a self-starter, goes out of way to accept new responsibilities often makes suggestions



Comments:

8. **Flexibility:** Consider speed with which the employee masters new tasks and methods and grasps explanations; retains knowledge

- Very slow to absorb instructions, new techniques, etc. Has difficulty handling job changes
- Difficulty in adjusting to changed in job routine
- Reacts to change with little or no disruption of output
- Adapts well to change and uses change to increase output
- Exceptionally fast to learn and adjust to changed conditions, very rarely forgets prior instructions

Comments:

9. **Use of Time:** Consider amount of direct supervision required to get job done and meet deadlines; amount of time wasted

- Unsatisfactory use of time; assignments not completed when due; doesn't seek work to fill slack times
- Needs improvement in use of time; easily sidetracked
- Uses time well
- Able to perform above standard output by effectively organizing tasks

Comments:

10. **Accepts Direction:** Consider ability to accept and follow instructions and be supervised

- Refuses or fails to follow instructions, directions or supervision
- Needs improvement in following instructions, directions or supervision
- Accepts and follows directions, supervision and instruction

Comments:

11. **Dependability:** Consider ability to keep commitments, tell the truth

- Needs constant follow-up or close supervision, often doesn't keep commitments
- Needs improvement in completing tasks and keeping commitments
- Can be relied on to keep commitments; completes routine tasks well; responds to new situations well

Comments:

12. **Policy Compliance:** Consider degree to which employee accepts and follows City and Department policies and procedures, etc.

- Often hesitant to accept & follow policies and procedures
- Normally accepts and follows policies & procedures
- Almost always follows policies & procedures

Comments:

13. **Work Habits:** Consider degree which employee's work exhibits neatness, safe working procedures, proper care and efficient use of equipment and supplies, etc.

- Work is usually sloppy, careless with equipment & supplies
- Work is often messy, is often careless with equipment & supplies
- Work is acceptably neat, is careful about & efficient with equipment & supplies
- Work is usually neat, is usually careful about & efficient with equipment & supplies
- Work is neat, consistently uses equipment & supplies carefully & efficiently

Comments:

14. **Communications:** Consider degree to which employee effectively expresses her/him self orally and/or in writing (that is how well the ideas are put across and understood by others)

- Usually comes across poorly & is rarely understood
- Is often misunderstood
- Can adequately communicate with others
- Usually communicates well & ideas are usually understood

Comments:

Please keep me informed

15. **Personal Appearance:** Consider hygiene, neatness, appropriateness of dress on job

- Not acceptable
- Needs improvement
- Acceptable

Comments:

Section II: Supervisor Comments: Overall evaluation please include employee's strengths and/or weaknesses, suggested goals, etc

Dennis - You are a significant asset to the city - Thank you all you do! - J

Section III: Development Activities:

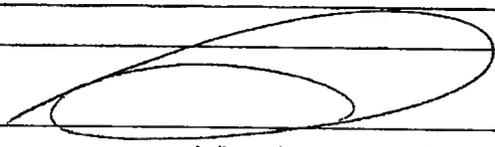
A: Review of previous year's development activities (summarize any accomplishments in professional development, education, certification and/or cross-training during evaluation period)

B: Supervisor and employee agree upon further development of employee capabilities and to prepare for greater responsibility.

Section IV: Employee comments:

Employee signature: _____

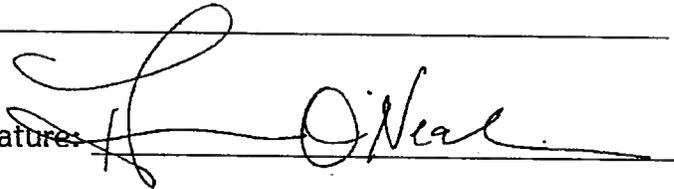
Date: 2/26/08



indicates that appraisal has been reviewed with employee

Supervisor signature: _____

Date: _____



Department Head signature: _____

Date: 2/26/08

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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
EUGENE DIVISION

DENNIS RENO,

Case No. 6:10-cv-536-AA

Plaintiff,

vs.

CITY OF NEWPORT, an Oregon municipal
corporation, **WILLIAM D. BAIN**, an individual,
and **JIM VOETBERG**, an individual,

Defendants.

**STIPULATED NOTICE OF
DISMISSAL WITH PREJUDICE AS
TO DEFENDANTS WILLIAM D.
BAIN AND JIM VOETBERG**

Pursuant to Fed. R. Civ. P. 41(a)(1)(ii), the parties stipulate that defendants William D. Bain and Jim Voetberg should be dismissed from this matter with prejudice and without costs or attorney fees to either party.

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DATED: December 10, 2011

BUCHANAN ANGELI ALTSCHUL &
SULLIVAN LLP

s/ Andrew Altschul

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