SEPARATION, WAIVER AND RELEASE AGREEMENT

PARTIES

The parties to this Separation, Waiver and Release Agreement ("Agreement") are Park City School District (the "District") and Michael Tanner ("Mr. Tanner").

RECITALS

1. Whereas, Mr. Tanner has been employed by the District since 2019 as its Chief Operations Officer ("COO").

2. Whereas, the COO position was created in 2019 and had not previously existed in the District.

3. Whereas, the District has been experiencing declining enrollment and on December 18, 2024 the District's Board of Education voted to implement a planned school consolidation that includes the closure of Treasure Mountain Jr. High at the end of the 2024-25 school year.

4. Whereas, based on these considerations, as well as a desire to reduce administrative overhead costs, it has been determined that it is in the best interest of the District to effectuate a reduction-in-force that will result in the elimination of the COO position with the reassignment of COO duties to other District administrators for organizational and budgetary reasons.

5. Whereas, Mr. Tanner has provided significant contributions to the District during his tenure, and in lieu of further disputes regarding their employment relationship the Parties have mutually determined that they desire to end that relationship in the manner provided in this Agreement.

6. This Agreement is intended as the final statement and settlement of any rights or claims either party might have regarding Mr. Tanner's employment with the District.

COVENANTS

The terms and covenants of this Agreement are as follows:

1. Elimination of Mr. Tanner's Position. Mr. Tanner hereby agrees that his employment with the District shall end effective March 31, 2025 (the "Separation Date") at which time he will cease to be an employee of the District. The Parties agree that any and all contractual or other obligations with respect to Mr. Tanner's employment are terminated as of the Separation Date. This separation may not be withdrawn, rescinded or modified after the Effective Date of this Agreement except by the written agreement of all parties. In connection with the elimination of Mr. Tanner's position, Mr. Tanner and the District agree as follows:
    a. From February 25, 2025 until the Separation Date Mr. Tanner shall be on paid administrative leave.

b. While on paid administrative leave, Mr. Tanner shall continue to receive all salary and benefits he received in his COO assignment at his current rate of pay on his regularly scheduled pay dates, including his special assignment contract.

c. As the conclusion of his employment Mr. Tanner shall be paid out accrued but unused PTO as per the terms of the District's Administrative Agreement and/or other generally applicable policies governing 12-month District administrators. This payment shall be included with his final regular paycheck on March 31, 2025.

d. While on paid administrative leave and through June 30, 2025 Mr. Tanner shall make himself reasonably available to provide transition-related services to the Superintendent to allow for the transfer of institutional knowledge, as such may be requested by the Superintendent. Services requested shall be related to the duties that were performed by Mr. Tanner during his employment, or which otherwise would have been expected to be performed by Mr. Tanner as contemplated by his job description and the course of dealings between the Parties. Mr. Tanner will be generally available to provide transition-related services upon reasonable notice from the Superintendent but will not be precluded from taking actions to secure and obtain new employment.

2. <u>Severance Payment</u>. In exchange for the promises set forth herein, Mr. Tanner shall receive the following Severance Payment:

a. A one-time lump sum payment in the amount of one hundred sixty thousand nine hundred sixty-five dollars and 50 cents ($160,965.50), to be paid no later than April 30, 2025 by means of direct deposit to the bank account currently on file with the District's payroll department, or to such other account as may subsequently be instructed in writing. The payment shall be allocated for tax purposes as follows:

   i. A payment for wages in the gross amount of SEVENTY-EIGHT THOUSAND FIVE HUNDRED DOLLARS ($78,500.00), less applicable payroll/tax withholdings for which Employer shall issue an IRS Form W-2 to Mr. Tanner for 2025.

   ii. A payment for alleged emotional distress, liquidated and/or other non-wage damages in the amount of SEVENTY-EIGHT THOUSAND FIVE HUNDRED DOLLARS ($78,500.00), for which Employer shall issue an IRS Form 1099-MISC to Mr. Tanner with the amount set forth in Box 3 of the Form 1099; and

   iii. A payment for attorneys' fees and costs by check made payable to "Stavros Law" ("Employee's Counsel") in the amount of THREE THOUSAND NINE HUNDRED AND SIXTY-FIVE and 50/100s DOLLARS ($3,965.50), for which an IRS Form 1099-MISC shall be issued to each of Employee and Employee's Counsel.

b. Health Insurance. In addition to the Severance Payment, no later than April 30, 2025, the District will pay a lump sum payment in the total amount of fourteen thousand eight hundred eighty-six dollars ($14,886.00) to use for insurance coverage and/or to contribute to Mr. Tanner's HSA. The District shall cause such payments to be issued directly to Mr. Tanner. If Mr. Tanner elects COBRA continuing coverage, he shall be responsible for ensuring that all necessary COBRA election paperwork is timely completed and returned to the appropriate party as per enrollment packet instructions to avoid any lapse in coverage. The District shall not be responsible for any lapse in coverage caused by a failure to timely submit COBRA enrollment paperwork.

3. Agreement Regarding Future Employment. Mr. Tanner agrees that he shall not seek future employment by the District and that he is waiving any and all rights he may have pursuant to the District's reduction in force procedures as set forth in Policy 7160, including to be notified of, or apply for, other jobs for which he might be qualified.

4. Employment Inquires/Neutral Reference. Mr. Tanner shall direct all employment inquiries to the District's Director of Human Resources, who shall provide the following information: dates worked, job titles held, salary at time of departure, and that Mr. Tanner position was eliminated due to the implementation of a reduction-in-force. Nothing about this paragraph shall be interpreted to prevent either Party from providing records in response to a duly issued subpoena or other applicable law, or to prevent any individual (including Mr. Tanner, District employees, and Board members) from testifying truthfully and to the best of their ability in connection with any legal process, governmental agency inquiry, investigation or audit. The Parties agree that the District will issue a public statement announcing his separation from employment due to a reduction in force in the form attached hereto as Exhibit A.

5. Return of District Property. Mr. Tanner represents that he has not retained electronic or hard copies of other documents or records belonging to the District containing personally identifiable student information or employee information classified as private, protected, or controlled pursuant to the Government Records Access and Management Act ("GRAMA") or which is protected from disclosure pursuant to the Family Educational Rights and Privacy Act ("FERPA") or applicable Utah student data privacy laws. The District acknowledges that Mr. Tanner has returned all keys, ID badge, cell phone, laptop, and any District owned electronic devices and Mr. Tanner represents he is not in possession of any other District owned property.

6. 21-Day Consideration Period. This Agreement is being provided to Mr. Tanner on February 25, 2025. Mr. Tanner shall have 21 days in which to consider this Agreement. Mr. Tanner acknowledges that any changes, edits, or modifications made to this Agreement between when it is first given to him and when it is signed shall not restart the 21-day consideration period. Mr. Tanner acknowledges and agrees that by executing this Agreement prior to the expiration of the 21-day period, he has waived the balance of that period, if any. If Mr. Tanner fails to execute this Agreement before the expiration of the later of the 21-day period, then the terms and conditions contained in this Agreement are automatically withdrawn without further action or notice.

7. Seven Day Rescission Period. Following execution of this Agreement, Mr. Tanner shall have seven (7) days in which to rescind this Agreement. To be valid, the rescission must be in writing and signed by Mr. Tanner and must be delivered to and received by the District's Human Resources Director, Craig Jensen, before 5 p.m. of the seventh (7th) day. For notification purposes, Mr. Jensen's address is as follows:

Park City School District
2700 Kearns Blvd.
Park City, Utah 84060
cjensen@pcschools.us

Provided it is not rescinded as provided for herein, this Agreement shall become effective on the eighth (8^{th}) day following execution (the "Effective Date").

8. No Admission of Liability. Nothing in this Agreement shall be construed as an admission by any Party of any wrongdoing, liability, or noncompliance with any federal, state, city, or local rule, ordinance, statute, common law, or other legal obligation. The Parties specifically disclaim and deny any such wrongdoing or liability.

9. Mutual Waiver and Release. In exchange for the consideration provided herein, the Parties agree to the following mutual waivers and releases of claims.

a. The Parties fully and forever release and discharge each other, including Mr. Tanner and his heirs and assigns, the Board, District, individual Board members, officers, administrators, employees, agents, representatives, related entities and attorneys, and all persons acting by, through, under or in concert with them, whether previously or later affiliated in any manner (collectively "Released Parties") from any and all claims, demands, actions, causes of action, obligations, rights, damages, attorney fees, costs and liabilities of any nature whatsoever (including claims for wages, benefits and claims for costs and attorneys' fees) which the Released Parties may have against each other, whether known, unknown, suspected, or later discovered, arising out of, based upon, or related to the Employment Relationship between Mr. Tanner and the Board and which arose on or before the date of this Agreement (the "Released Claims"). The Released Claims include any claims for breach of any employment-related contract or policy of the District; claims under any local, state, or federal laws prohibiting discrimination in employment, including under the Americans with Disabilities Act (as amended), Title VII or other provisions of the federal Civil Rights Acts, Pregnancy Discrimination Act, Equal Pay Act, the federal Family and Medical Leave Act, the Employee Retirement Income Security Act, and/or Utah anti-discrimination laws; all claims for harassment or discrimination on account of race, gender, national origin, religion, disability, sexual orientation, or any other protected status; claims alleging any legal restriction on the District's right to terminate its employees; personal injury or other tort claims; and claims for wrongful discharge (in violation of public policy or otherwise), retaliation, constructive discharge, promissory estoppel, defamation, interference with business expectancy, infliction of emotional distress, and breach of the duty of good faith and fair dealing. Without limiting the scope of the release herein, the Released Claims also include, without limitation, any claims or potential claims against any of the Released Parties for wages, earned vacation, paid time off, bonuses, expenses, severance pay, and benefits earned through the date of the execution of this Agreement except as otherwise explicitly provided for herein.

b. Nothing contained in this paragraph 9 above or paragraph 10 below shall be a waiver of any claims that cannot be waived by law. Mr. Tanner represents that he has not and will not institute, prosecute or maintain on his own behalf, before any administrative agency, court or tribunal, any demand or claim of any type related to the matters released herein. The Parties understand that nothing contained in this Agreement will be interpreted to prevent Mr. Tanner from exercising his federally protected right to cooperate in any such governmental agency investigations. However, Mr. Tanner agrees that he is waiving the right to monetary damages or any other individual legal or equitable relief that could be awarded as a result of any such proceeding whether on his or anyone else's behalf.

10. **ADEA Waiver. The Released Claims further specifically include the release of any and all claims by Mr. Tanner under the federal Age Discrimination in Employment Act ("ADEA"), as amended. Mr. Tanner agrees that he knowingly and voluntarily intends to release the Released Parties from any and all claims for damages or other remedies he may have under the ADEA. This release is not to be construed as a waiver of ADEA claims that may arise after the execution of this Agreement.**

11. Knowing and Voluntary Agreement. The Parties expressly acknowledge this Agreement is a good faith resolution of their employment relationship and is entered into absent any collusion, fraud, undue influence or tortious conduct by the parties. Mr. Tanner acknowledges that he is entering into this Agreement of his own volition. Mr. Tanner acknowledges that he has been given adequate time to review this Agreement with his attorneys or any other advisor he desired and that he has sought such advice before signing this Agreement. He further acknowledges that he is relying on his own judgment and that of his advisors in entering into this Agreement and that he is not relying on the advice or judgment of the District or any of its employees, attorneys or agents.

12. Confidentiality. Except as necessary to consult with attorneys, accountants and advisors, the parties will maintain the terms of this Agreement in confidence unless disclosure is required by law or otherwise approved by the other party to the agreement in writing. The Parties mutually recognize and agree that this Agreement may be classified as a public record pursuant to the Utah Government Records Access and Management Act ("GRAMA") and that the District's classification of this Agreement as a public record shall not result in either party having a claim against the other in connection with its public release.

13. No Waiver. Failure to insist on compliance with any term, covenant or condition contained in this Agreement shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any provision, right or power set forth in this Agreement at one time be deemed a waiver of any provision, right or power at any other time.

14. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability

of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

15. Integration and Savings Clause. This Agreement contains the entire understanding between the parties. Any previous statements or understandings, whether expressed or implied, oral or written, relating to the subject matter of this Agreement are fully extinguished and superseded by this Agreement. Further, the Agreement shall not be altered or varied, except by a writing signed by all parties. The parties hereby expressly waive the right to claim that the Agreement was or has been altered, modified, or otherwise changed by oral communication. If it is determined that any provision of this Agreement is void or illegal, the remainder of the Agreement shall continue to be enforced and shall be modified in a manner to achieve the intent of the parties.

16. Governing Law. This Agreement shall be governed by and subject to the laws and exclusive jurisdiction of the courts of State of Utah. All disputes will be decided in the venue of State of Utah's Third Judicial District Court in and for Summit, Utah.

17. Dispute Resolution. In the event of a dispute between the Parties concerning any provision of this Agreement, including a dispute as to any Party's rights and obligations under any such provision, the Parties agree to the following dispute resolution mechanisms prior to the filing of any suit: (1) notice to, and discussion between Mr. Tanner and the District or their designees; (2) submission to mediation with the costs of mediation to be shared equally by both Parties.

18. Attorneys' Fees. If a Party initiates any dispute concerning construction or interpretation of this agreement or any other issue arising out of the employment relationship between the parties the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees.

19. Counterparts. This Agreement may be executed in duplicate original counterparts, each of whichshall be considered an original for all purposes. In addition, an electronically signed, or other electronic or facsimile copy of this Agreement shall have the same force and effect of an originaldocument.

DATED this 19 day of March, 2025.

Michael Tanner (Mar 19, 2025 14:11 MDT)

Michael Tanner

DATED this _____ day of _________________, 2025.

Park City School District

____

By: Lyndsay Huntsman
Its: Superintendent

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DATED this 19 day of March, 2025.

Michael Tanner (Mar 19, 2025 14:11 MDT)
Michael Tanner

DATED this 20 day of MARCH, 2025.

Park City School District

L. Huntsman
By: Lyndsay Huntsman
Its: Superintendent

As some may know, the COO position currently filled by Mr. Mike Tanner was first created in 2019 and had not previously existed in the District. One of the first tasks undertaken by Superintendent Huntsman as she has stepped into her role has been to take a hard look at the administrative structure of the District. Based on her long tenure in the District, her knowledge of the District's prior administrative structures, and desire to reduce administrative overhead costs, it has been determined that it is in the best interest of the District to effectuate a reduction-in-force that will result in the elimination of the COO position. This is consistent with an overall trend of declining enrollment and planned school consolidation that includes the closure of Treasure Mountain Jr. High at the end of the 2024-25 school year. Mr. Tanner was notified that his position would be eliminated due to a reduction-in-force, effective March 31, 2025. As part of the restructuring, Mr. Tanner's COO and special assignment duties will be reassigned to other District administrators and Mr. Tanner will be available as needed through June 30, 2025 to assist in the transition. The District appreciates Mr. Tanner's service over these last 6 years, which included a large number of challenges such as helping keep schools open during COVID and many District construction and security initiatives. We thank Mr. Tanner for his service to the District and wish him the best in his future endeavors.