



April 18th, 2009

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PERSONAL AND CONFIDENTIAL

HAND DELIVERED

Mr. Doug Nadorozny



Dear Doug:

**RE: OFFER OF EMPLOYMENT WITH
THE CITY OF GREATER SUDBURY**

I am pleased to offer you continued employment with the City of Greater Sudbury (CGS) in the role of Chief Administrative Officer (CAO).

JOB CONTENT

The duties and responsibilities of the position will be as outlined in the attached Job Description, and as reviewed with you in your Employment interview.

REPORTING RELATIONSHIP AND ANNUAL REVIEW

As CAO you will respond to the direction of Council, and report to the Mayor for administrative matters.

At the start of each fiscal year, in your role as CAO, you will propose personal objectives for the year to Council, in support of CGS's Business Plan/ Council's stated goals, for Council's approval. At year end, you will then present a Self-Assessment Report to all of Council on your success in meeting these goals, for Council's consideration.

SERVICE DATE

Your continuous service date shall be considered as May 26th, 1999, for all purposes of this Employment Agreement, and at common law. Should CGS elect to terminate your employment without cause at any time, common law will apply with respect to the Notice and Severance Pay owed to you, but with a minimum amount agreed to be owed equal to fourteen (14) months pay.

Although May 26th, 1999 is recognized as your continuous service date under this Employment Agreement, [REDACTED]

[REDACTED] Under the Pension Plan rules, Employees in your circumstance can "buy back" this missing service later in their career, provided they pay one hundred (100%) percent of the cost to do so. Under this Employment Agreement, CGS agrees to pay fifty (50%) percent of the cost for the purchase of this service (as determined by OMERS) at your option, provided you make application to purchase the service in the first year of your employment under this Employment Agreement.

COMPENSATION PACKAGE

You will be paid an annual salary of Two Hundred and Eight Thousand (\$208,000.00) Dollars, payable bi-weekly in arrears. This salary will not be reviewed under any CGS Salary Administration Plans or Job Evaluation Plan that CGS Council has adopted or may choose to adopt for its Non Union Employees. Rather, your salary will be adjusted annually, on the effective date of this Employment Agreement, by an equal percentage to the percentage increase in the All Canada Consumer Price Index for the previous year (i.e. in 2010, your salary will be adjusted by the percentage increase in the All Canada Consumer Price Index from December 2008, to December 31st, 2009, and so on). The amount of the increase in any one (1) year will be capped at three point five (3.5%) percent.

You will be entitled to a car allowance equal to Seven Hundred (\$700.00) Dollars per month for use of your personal vehicle at work, and you will be compensated for out of town business travel with your vehicle at the per kilometre rate in place for Non Union Employees. The per kilometre rate may be changed from time to time by CGS Council. Parking at the underground parking lot at Tom Davies Square will be provided by CGS.

We will treat the Vehicle Allowance as a taxable benefit, and encourage you to track business use of the vehicle and claim appropriate deductions under the

Income Tax Act. The Vehicle Allowance will be treated as earnings for purposes of pension benefits under the Ontario Municipal Employees Retirement System (OMERS).

In recognition of your vacation entitlement under your previous Employment Agreement, you will be eligible for eight (8) weeks (forty (40) working days) of vacation per calendar year. This vacation will be earned and administered in accordance with CGS's Vacation Policy, as outlined in the Employee Handbook.

Your eligibility for Employer Sponsored Services and other conditions of your employment will be unchanged from those currently in force at CGS, as detailed in CGS's Employee Handbook, a copy of which you received in 2000. You are to ensure that you have reviewed the Employee Handbook within three (3) months time, are advised that you are to follow the policies/rules outlined in the Employee Handbook, and are encouraged to utilize all of the services in the Employee Handbook to which you are entitled. If you cannot complete the review of the Employee Handbook within three (3) months, or have other questions or concerns with the Employee Handbook, please forward them to the Human Resources and Organizational Development Division in written form.

The Employee Handbook, your Job Description (attached), and this Employment Offer Letter encompass all terms and conditions of your employment with CGS.

CLOSING DATE AND OTHER MATTERS

If executed by the Parties and subsequently confirmed by Council, this Employment Agreement would replace the Employment Contract executed between you and CGS on December 14th, 2004, with that earlier Employment Contract having no further force or effect in law.

I require a response from you on this Offer by no later than 4:30 p.m. on Tuesday, April 21st, 2009. If I do not hear from you by this date, I will assume you are not interested and the offer shall be deemed withdrawn.

CGS encourages you to seek professional advice when considering this Offer. To that end, CGS will reimburse you (on presentation of receipts) for any legal, tax, or other professional advice expense you incur while considering this offer, to a cap of One Thousand, Five Hundred (\$1,500.00) Dollars.

This Employment Agreement (if accepted by you) is then subject to

Mr. Doug Nadorozny

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approval by CGS Council, and has no force or effect unless confirmed by CGS Council. The effective date of this Employment Agreement is the calendar day after it is ratified in Open Session, by resolution of Council.

If you have any questions or concerns with the above or attached, please call.

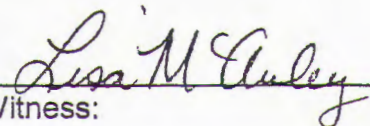
Yours very truly,



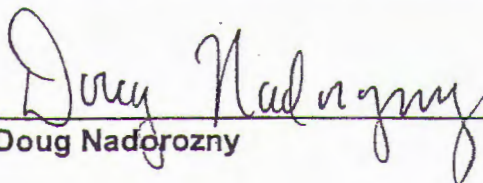
Ted Callaghan
Chair of the CAO Hiring Committee

PT:dif

I acknowledge that I have had an opportunity to obtain independent advice with respect to this offer and I understand and accept the offer on the terms set out above.



Witness:



Doug Nadorozny

April 21, 2009
Date: