

## TOWN MANAGER

### EMPLOYMENT AGREEMENT

This agreement, entered into on this 18<sup>th</sup> day of December, 2020, by and between the Town of Nolensville, Tennessee, a Municipal Corporation, hereinafter called the "Town", as party of the first part, and Victor H. Lay, hereinafter called "Employee", as party of the second part, both of whom understand as follows:

#### WITNESSETH:

**WHEREAS** the Town of Nolensville Board of Commissioners ("Board") desires to employ Victor H. Lay as the Town Manager of the Town of Nolensville as set forth in the Town's organizational documents, Town Code, Resolutions and Ordinances, and as authorized by the Town Charter and the Town Code; and

**WHEREAS**, it is the desire of the Board to provide certain benefits, establish certain conditions of employment, and to set working conditions of said Employee; and

**WHEREAS**, it is the desire of the Board to (1) secure and retain the services of Employee and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security, (3) to act as deterrent against malfeasance or dishonesty for personal gain on the part of the Employee, and (4) to provide just means for terminating Employee's services at such time as he may be unable to fully discharge the essential functions of the position due or when the Board may desire to otherwise terminate his employ; and

**WHEREAS**, Employee desires to accept employment as Town Manager of said Town.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

#### **Section 1. Duties**

The Town hereby agrees to employ said Victor H. Lay as the Town Manager to perform the functions and duties specified in applicable sections of the Town's Code, Charter, Ordinances and/or Resolutions, and to perform such other legally permissible and proper duties and functions as the Board shall from time-to-time assign.

#### **Section 2. Term**

A. This agreement shall become effective as of January 19, 2021. Employee agrees to remain in the exclusive employ of the Board and neither accept other employment nor to

become employed by any other employer until Employee is terminated or resigns as herein provided.

B. In accordance with T.C.A. 6-21-101, the Employee may not be removed from office by the Board during the first twelve (12) months of employment except for incompetence, malfeasance, misfeasance, or neglect of duty.

C. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of Employee at any time at a duly authorized public meeting, subject only to the provisions set forth in Section 3, paragraphs A, B, C, and D of this agreement and the Nolensville Town Charter.

D. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of Employee to resign at any time from his position with the Town, subject only to the provisions set forth in Section 3, paragraph E of this agreement.

E. This agreement shall be automatically renewed annually on July 1<sup>st</sup> of each year unless written notice is provided by the Board to the Employee on or before June 1<sup>st</sup> of the same year of their intent to terminate this agreement.

### **Section 3. Termination and Severance Pay**

A. In the event the Employee is terminated by the Board or resigns at the request of the majority of the Board after his first year of employment, during such time as the Employee is willing and able to perform his duties, then the Board agrees to pay Employee his regular salary for a period of two (2) months from the date of termination. After two (2) years of employment, the severance pay shall increase to three (3) months of his/her regular salary. After three (3) years of employment and for each year of employment thereafter, the severance pay shall be four (4) months of his/her regular salary. This severance pay shall be paid in accordance with the Town's current payroll system unless otherwise agreed to by the Board and Employee. The Town shall continue payment of retirement and health insurance benefits during this period in the same manner and amounts as provided for all other general employees of the Town. In addition to the severance payments described herein, Employee shall be entitled to a lump sum payment at the date of termination of any accumulated sick leave and vacation days that has been accrued under the same terms and conditions as provided for all other general employees of the Town upon termination of employment.

B. If the Employee (1) is convicted of a felonious act or other illegal act involving personal gain to him; (2) commits willful malfeasance or misfeasance; or (3) substantially neglects his job duties; then the Board may terminate Employee with no obligations to pay severance payments and benefits designated herein.

C. In the event the Board at any time during the employment term reduces Employee's salary or other employee benefits in a greater percentage than an applicable across-the-board reduction for other Town employees or raises Employee's salary or other financial benefits in a lesser percentage than an applicable across-the-board increase for other Town employees, then Employee's employment may at his option be deemed to be terminated at the date such across-the-board adjustments are implemented within the meaning and context of the severance provisions designated herein.

D. If any provisions of the Town's charter are amended in such a way as to substantially change the role, powers, duties, authority, or responsibilities of the Employee's position, or if the Town adopts a new charter that substantially changes the form of government, the Employee shall have the right to declare that such amendments constitute termination.

E. In the event Employee voluntarily resigns his position with the Town, then Employee shall give the Board forty-five (45) day notice in advance, unless the parties otherwise agree. In such event, the Employee shall be entitled to payment for any accumulated sick and vacation days accrued under the same terms and conditions as provided for all other general employees of the Town upon termination of employment.

#### **Section 4. Salary**

A. The Board agrees to pay Employee for his services rendered pursuant hereto an initial annual base salary of \$150,000, payable in installments at the same time as other employees of the Town are paid.

B. Over and above across-the-board wage and benefit increases granted to Town employees, the Board agrees to adjust said base salary and/or other benefits of Employee in such amounts and to such an extent as the Board may determine desirable on the basis of an annual performance evaluation of Employee based on mutually agreed upon written criteria of expectations for successful performance. Said evaluation shall be conducted during May or June of each year by individual Board members or the Board as a whole. Employee shall be eligible for consideration of said salary adjustment at the same time during the fiscal year as all other general employees are eligible for salary adjustments as may be provided in the annual budget.

#### **Section 5. Acting Town Manager**

The Town of Nolensville requires the full-time services of its Town Manager and, therefore, in the event Employee is not available to perform his duties in the office due to planned out of town travel for vacations, bereavement, professional development, official Town business or other foreseeable circumstances, Employee shall designate another Town employee as his representative to be responsible in his place. In the event Employee is not available to

perform his duties due to emergency circumstances and no Acting Town Manager has been designated by Employee, the Board shall designate, pursuant to the provisions of the Town Charter, a Town employee to serve as Acting Town Manager. Employee shall not have the right or ability to designate an acting Town Manager in the event of Employee's termination or resignation.

### **Section 6. Hours of Work**

It is recognized that Employee must devote a great deal of his time outside normal office hours to business of the Town, and to that end Employee will be allowed to take compensatory time off as appropriate during normal working hours.

### **Section 7. Vacation and Sick Leave**

Upon commencing employment, the Employee shall be credited with 10 days (80 hours) of vacation leave and 5 days (40 hours) of sick leave. Moving forward, the Employee shall accrue and have credited to his balance of vacation leave 15 days (120 hours) per year and sick leave at the same rate and under the same terms and conditions as provided to other general employees of the Town. In no event shall the employee be allowed to accumulate vacation days/hours beyond the maximum amount allowed for other Town employees.

### **Section 8. Employee Benefits**

A. The Board agrees to provide other employment benefits including but not limited to medical and life insurance and participation in the Tennessee Consolidated Retirement System, plus reimbursement of nonpersonal and job-affiliated business expenses, as provided to all other general employees of the Town in accordance with Town policies and procedures.

B. If the Town's medical insurance requires a waiting period before the Employee is eligible for coverage under Town's plan, the Board agrees to reimburse the Employee for the cost of COBRA insurance for the same, during the initial waiting period.

C. The Board agrees to provide directly or via cash allowance the necessary technology systems, including but not limited to computer and computer-related systems, cellular phone, etc. to allow the Employee to adequately maintain connectivity to the Town's computer network and communication with the Board and other Town employees when out of the office. Upon termination of employment, the Town provided equipment shall be returned by the Employee or at the discretion of the Board, ownership of said equipment may be transferred to the Employee.

D. The employee is encouraged but not required to reside within the corporate limits of the Town of Nolensville.

## **Section 9. Vehicle Use**

A. A Town owned vehicle will be made available to the Employee to carry out the functions and duties of the position but shall not be used for non-business activity and the personal use of the Employee.

B. If a Town vehicle is not available or convenient to use, the Town agrees to reimburse the Employee for expense allowed by the IRS for any business use of his private vehicle that is necessary to carry out the functions and duties of the position.

## **Section 10. Professional Development**

A. The Board agrees to budget for and to pay the professional dues and subscriptions of Employee necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional growth and development, and for the good of the Town.

B. The Board agrees to budget for and to pay the travel and subsistence expenses of Employee for professional and official travel to meetings, seminars, institutes and other events appropriate to continue the professional development of Employee and to adequately pursue necessary official functions for the Town, including but not limited to the Annual Conference of the International City/County Management Association, the Tennessee Municipal League, and the Tennessee City Management Association.

C. The Employee shall advise the Board in writing or by e-mail of attendance at professional meetings requiring overnight stay prior to leaving the Town. The Board shall not require Employee to use vacation leave when participating in professional development activities.

## **Section 11. Outside Employment**

The Employee is authorized to engage in professional activities outside Town employment and outside the incorporated Town limits, including consulting and teaching. Such activities shall be conducted in an annual leave or leave without pay status and shall not be allowed to interfere in the conduct of his primary duties or create a real or perceived conflict of interest with Employee's position with the Town. The Employee shall not undertake such activities without prior approval of the Board. The Employee shall provide the Board with a written description of any such activities in which he intends to engage, along with the name of the employer and the amount of compensation to be paid.

## **Section 12. Community Involvement**

The Board recognizes the desirability of the Employee's participation in local civic and community organizations in order that he maintain continuing awareness of community attitudes and ideas. In support of this involvement, the Board will pay the approved dues and/or

membership fees in Nolensville and overlapping Williamson County civic, business, and community organizations in which the Employee is an active member.

**Section 13. Bonding and Professional Liability Insurance**

The Town shall bear the cost of any fidelity or other bonds required of the Employee under any law or ordinance and shall provide adequate liability insurance coverage for the Employee.

**Section 14. General Provisions**

A. The text herein shall constitute the entire agreement between the parties. Any prior discussions or representations by and between the parties are merged into and rendered null and void by this agreement.

B. If any provision, or any portion thereof, contained in this agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

C. The parties by mutual written agreement may amend any provision of this agreement. Such amendments shall be approved by the Board in a duly authorized public meeting and shall be incorporated and made a part of this agreement.

**IN WITNESS WHEREOF**, the Town of Nolensville, Tennessee, the parties have executed this contract as of the date recorded above.

**TOWN OF NOLENSVILLE:**

**VICTOR H. LAY**

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Derek Adams, Mayor

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Approved for execution:

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L. Gino Marchetti, Jr., Town Attorney