

**EMPLOYMENT CONTRACT FOR
CITY ADMINISTRATOR FOR
CITY OF MONTGOMERY, TEXAS**

THIS AGREEMENT, is made and entered into this 13 day of December, 2022, by and between the **CITY OF MONTGOMERY**, State of Texas, (hereinafter called the "City") and **GARY PALMER**, (hereinafter called the "City Administrator"),

WITNESSETH:

WHEREAS, the City desires to employ Gary Palmer as its chief administrative and executive officer, with the title of "City Administrator;" and

WHEREAS, Gary Palmer desires to accept such employment; and

WHEREAS, the parties have agreed to the terms and conditions of such employment and desire to reduce their agreement to writing.

NOW THEREFORE, in consideration of the promises, covenants and agreements herein set forth, and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto covenant and agree as follows:

**1.
TERMS OF EMPLOYMENT**

The City shall employ the City Administrator for a initial term of two (2) years from January 6, 2023 until January 6, 2025 ("Initial Term"), subject to renewal or termination as hereinafter provided. At the conclusion of the Initial Term, this Agreement shall automatically renew for successive two (2) year terms ("Renewal Term") unless either party gives the other party written notice of non-renewal at least thirty (30) days prior to the end of the Initial Term or Renewal Term.

2.
DUTIES

The City Administrator shall oversee the day to day operations of the City and fulfill the duties of the position as defined in the job description attached hereto as Exhibit A. It is recognized that City Administrator must devote a great deal of time outside the normal office hours on business for City, and to that end City Administrator shall be allowed to establish and unilaterally manage an appropriate full-time work schedule. City Administrator agrees to keep City Staff informed of his schedule when not in the office.

3.
COMPENSATION

The City shall pay the City Administrator a salary of \$185,000.00 per annum, or such other increase in salary as may, in the City Council's sole discretion, be justified, and payable in equal sums at such intervals as the City has established for its payroll procedure. The City Administrator shall be eligible for an annual salary increase in connection with the annual performance evaluation, with such increase at the City Council's sole discretion. In addition, City Council may authorize a general cost of living adjustment to offset the effects of inflation on the City Administrator's salary.

4.
ADDITIONAL ENTITLEMENTS

In addition to the annual salary, above provided, the City Administrator shall receive, and the City will provide the following:

a. **Hospital/Medical/Surgical Insurance**

The City Administrator shall be provided the benefits of the City's insurance plan as provided for all employees of the City.

b. **Worker's Compensation Insurance**

The City will provide Worker's Compensation Insurance for payment of compensation as provided by the laws of the State of Texas if the City Administrator suffers an injury or incurs an occupational disease arising out of and in the course of his employment. Compensability under such law is prescribed by state statute, and not by the City or by this Contract.

c. Retirement Fund

The City shall include the City Administrator and provide funding of a retirement and pension fund as set forth in the City's Personnel Policy.

d. Vacation

The City Administrator will be entitled to forty (40) hours of vacation with pay initially, and then the City Administrator will adhere to the City's Personnel Policy related to vacation accrual.

e. Sick Leave

The City Administrator will be entitled to sick leave as set forth under the provisions of the City's Personnel Policy.

f. Vehicle

The City will pay the City Administrator \$500.00 per month for his use of his personal vehicle within Montgomery County. Reimbursement for mileage for trips on City business outside of Montgomery County will be paid in accordance with the City's Personnel Policy.

g. Cell Phone

The City shall pay the City Administrator \$100.00 per month for his use of his mobile telephone for City use.

h. Moving and Relocation Expenses

City Administrator agrees to establish residence in reasonable proximity to the City, within three (3) months of employment, in order to respond to emergencies. City shall pay directly for the expenses, not to exceed \$8,000.00, of moving City Administrator and his/her family and personal property to the City. The City Administrator shall provide evidence of actual moving expenses by securing quotations from (3) companies. The City Administrator shall submit these quotes to the City who, in consultation with the City Administrator, shall select the moving company.

i. Indemnification

To the extent permitted by Federal, State or Local Law, Employer shall defend, save harmless and indemnify City Administrator against any obligation to pay money or perform or not perform action, including without limitation, any and all losses, damages, judgments, interests, settlements, penalties, fines, court costs and other reasonable costs and expenses of legal proceedings including attorney's fees, and any other liabilities arising from, related to, or connected with any tort, professional liability claim or demand or any other threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigation, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of City Administrator's duties or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act or omission involved willful or wanton conduct. City Administrator may request and City shall not unreasonably refuse to provide independent legal representation at City's expense. Legal representation, provided by City for City Administrator, shall extend until a final determination of the legal action including any appeals brought by either party. City shall indemnify City Administrator against any and all losses, damages, judgments, interest, settlements, penalties,

finer, court costs and other reasonable costs and expenses of legal proceedings including attorney's fees, and any other liabilities incurred by, imposed upon, or suffered by City Administrator in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his duties.

City Administrator recognizes that City shall have the right to compromise unless said compromise or settlement is of a personal nature to City Administrator. Further, City agrees to pay all reasonable litigation expenses of City Administrator throughout the pendency of any litigation to which the City Administrator is a party, witness or advisor to City unless such action is brought against City by City Administrator. Such expense payments shall continue beyond City Administrator's service to City as long as litigation is pending. Further, City agrees to pay City Administrator reasonable travel expenses when City Administrator serves as a witness, advisor or consultant to City regarding pending litigation.

j. Bonding

City shall bear the full cost of any bonds that City Administrator is required to obtain by law or ordinance.

k. Professional Dues and Subscriptions

The City agrees to budget for and to pay for professional dues and subscriptions of the City Administrator necessary for continuation and full participation in national, state, regional, and local associations and organizations as necessary and/or desirable for the good of the City through the City Administrator's continued professional participation, growth and advancement.

l. Certification Maintenance, Professional Development Travel and Training

City agrees to budget and to pay for the professional dues and all training associated with maintaining the ICMA-CM and AICP certifications; including but not limited to the International City/County Management Association, American Institute of Certified Planners, American Planning Association, and subscriptions of City Administrator necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for City Administrator's continued professional participation, growth, and advancement, and for the good of the City.

City agrees to budget and pay for travel and subsistence expenses of City Administrator for professional and official travel, meetings, and occasions to adequately continue the professional development of City Administrator and to pursue necessary official functions for City, including but not limited to the ICMA Annual Conference, the national and/or state league of municipalities, and such other national, regional, state, and local governmental groups and committees in which City Administrator serves as a member. City also agrees to budget and pay for travel and subsistence expenses of City Administrator for short courses, institutes, and seminars that are necessary for City Administrator's professional development and/or certifications and for the good of City. City recognizes that certain expenses of a non-personal but job-related nature are incurred by City Administrator, and agrees to reimburse or to pay said general expenses. Such expenses may include meals where City business is being discussed or conducted and participation in social events of various organizations when representing City. Such expenditures are subject to annual budget constraints as well as state and City ethics and purchasing policies.

m. Other Employee Privileges Not Enumerated Herein

Such other privileges and benefits accorded the City employees, not enumerated herein, will likewise be accorded to the City Administrator.

5.
PERFORMANCE EVALUATION

a. Evaluation Process

The Council shall review the City Administrator's job performance annually. The annual performance reviews and evaluations shall be in writing and in accordance with criteria and format developed jointly by the Council and the City Administrator. The Council shall provide the City Administrator a reasonable and adequate opportunity to discuss with the Council and/or respond to the City Administrator's evaluation.

b. Confidentiality

Unless the City Administrator expressly requests otherwise in writing, except to the extent prohibited by and in material conflict with Applicable Laws and Authorities, the evaluation of the City Administrator shall at all times be conducted in closed session of the Council and shall be considered confidential to the maximum and full extent permitted by law. Nothing herein shall prohibit the Council or the City Administrator from sharing the content of the City Administrator's evaluation with their respective legal counsel.

c. Modification of Evaluation Process

In the event of the Council determines that the evaluation instrument, format and/or procedure are to be modified by the Council, and such modifications would require new or different performance expectations, then the City Administrator shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

6.
TERMINATION

a. The City Administrator or the City may terminate this Contract for any reason upon giving thirty (30) days written notice to the other party. If the City Administrator terminates this

Contract for any reason,, he shall not be entitled to any further salary or benefits after the date he terminates his position with the City. Further, if the City Administrator is terminated for cause, he shall not be entitled to any further salary or benefits from the City. **If the City terminates this Contract and such termination is not for cause, or the City chooses to not renew the Contract, the City shall be liable to the City Administrator for a severance package to be calculated at thirty-six (36) weeks' pay to include his monthly salary (lump sum payment), monthly automobile allowances, accrued vacation and health care coverage in accordance with the City Personnel Policy. City Administrator shall also be compensated for all accrued but unused Paid Time Off (PTO).** If the City reduces the base salary, compensation or any other financial benefit of City Administrator, such action shall constitute a breach of this agreement and will be regarded as a termination without cause. If the City, citizens or legislature acts to amend any provisions of the Charter, enabling legislation pertaining to the role, powers, duties, authority, responsibilities of City Administrator's position that substantially changes the form of government, City Administrator shall have the right to declare that such amendments constitute termination without cause. **If City Administrator resigns due to an offer to accept resignation by City as representative of the majority of the governing body that City Administrator resign, then City Administrator may declare a termination without cause as of the date of the suggestion.** For this agreement, a "termination for cause" shall be limited to 1. Willful misconduct in connection with the performance of any of City Administrator's duties such as misappropriation of funds of the City, securing or attempting to secure personally any profit in connection with any transaction entered into on behalf of the City; 2. Willful misrepresentation to the City; 3. Conviction of a crime by a Court of the United States that rises to the level of a major misdemeanor or felony; 4. Material breach of the terms of this agreement.

7.
MISCELLANEOUS PROVISIONS

a. The parties hereto agree to be bound by the applicable policies of the City's Personnel Policy which are subject to revision by the City Council. If there is a conflict between the Personnel Policy and the terms of this contract, this contract shall prevail.

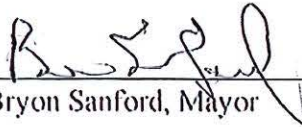
b. The parties understand and acknowledge that this Contract contains all the understandings of the parties and constitutes the full agreement of the parties.

c. This Contract may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

d. It is understood by the City and City Administrator that this Contract shall be construed in accordance with and governed by the laws of the State of Texas, and shall be performable in Montgomery County, Texas, unless otherwise provided by law.

APPROVED by the City Council on the 13 day of December, 2022.

CITY OF MONTGOMERY, TEXAS



Bryon Sanford, Mayor


ATTEST:



Nicola Browe, City Secretary



APPROVED:



Gary Palmer

Exhibit A

DUTIES OF THE POSITION

1. Oversee day to day operations including, but not limited to, the supervision, coordination and direction of all departments of the City with authority to appoint discipline and remove department heads and other City employees with the exception of the Court Judge.
2. Supervises activities of departments performing functions such as collection and disbursement of taxes, law enforcement, maintenance of public health, construction of public works, and purchase of supplies and equipment.
3. Attends City Council meetings to provide Council with pertinent information in a courteous and professional manner. Advise and receive direction from the Council.
4. Attends other City and community meetings relevant to the development, health and welfare of the City and reflects positively for the City at any and all of these functions. Makes conscious effort to take part in all possible community events and organizations throughout the area that will benefit the City.
5. Coordinates and provide assistance to established City Boards, Commissions, and Committees.
6. Assists the Accountant in developing the annual budget. Assists in financial monitoring of revenues and expenses as necessary for the City to function within the parameters of the adopted City budget.
7. Administers all contracts with the City to ensure their faithful execution. Coordinates contracted services (legal/engineering) to maximize effectiveness and minimize expenses and ensures all projects are completed in a timely, efficient and professional manner.
8. Ensures efficient and economical purchasing of equipment, supplies and materials, property and facilities for the City.
9. Ensures compliance and enforcement of state, federal and local statutes as well as grant and contract provisions. Identify and aggressively pursue all appropriate grant opportunities.
10. Provides adequate and accurate Information to news media in a professional and courteous manner to both inform the community and promote the City.
11. Effectively communicate with the Mayor, Council, City Employees and the general public in a professional and courteous manner.

12. Plans for future development of urban and non-urban areas to provide for population growth and expansion of public services.
13. Manages all department heads who supervise all applicable employees within their Departments.
14. Directly supervises all other applicable City employees. Carries out supervisory responsibilities in accordance with the City's policies and procedure manual, and applicable laws. Other responsibilities include interviewing prospective job applicants, hiring, and training employees, planning, assigning, and managing oversight of City staff including appraising performance, rewarding and disciplining employees; addressing complaints and resolving problems
15. These duties are intended to describe the general nature and level of work being performed by the City Administrator. These duties are not intended to be construed as an exhaustive list of all responsibilities, duties, and/or skills required of the City Administrator