

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: August 18, 2025

Topic:

Consideration and Possible Action regarding Separation Agreement.

Background:

EnterTex(New Business) House Bill No. 762, effective September 1, 2025, amends Chapter 180 of the Texas Local Government Code and addresses severance pay to municipal employees and contract employees, which includes many City Managers and City Administrators who have existing employment agreements with the City for who they work when those agreements contain severance pay provisions.

As such, effective September 1, 22025, no employment agreement or contract or the renewal or renegotiation of an employment agreement or contract, may provide severance pay that exceeds (20) weeks of compensation. HB 762 requires that any severance agreement must be posted in a prominent place on a city's internet site. This agreement allows for the same terms as provided in the current existing employment contract to be in effective after September 1, 2025.

Origination: Kristie Lewis, HR Director

Recommendation:

Party(ies) responsible for placing this item on agenda: Kristie Lewis, HR Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____

If yes, specify Account Number: # _____

If no, funds will be transferred from account: # _____ To Account: # _____

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date