

**RESOLUTION 19-49**

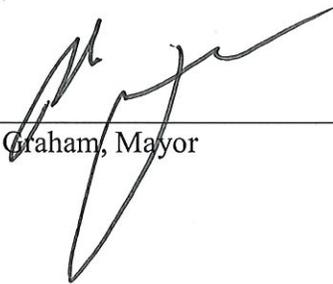
**A RESOLUTION TO APPROVE EMPLOYMENT AGREEMENT OF THE CITY ADMINISTRATOR FOR THE CITY OF SPRING HILL, TENNESSEE,**

**WHEREAS**, the Board of Mayor and Aldermen of the City of Spring Hill wishes to continue to employ the services of Victor Lay as the City Administrator of Spring Hill, Tennessee.

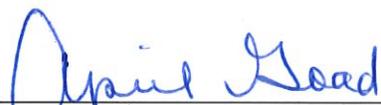
**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the Board of Mayor and Aldermen shall extend to Victor Lay the Employment Agreement attached hereto, terminating and replacing all previous contracts with the attached new contract.

**BE IT FURTHER RESOLVED** that all resolutions and partial resolutions in conflict herewith would be and are hereby repealed or modified, as the case may be.

**Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee, on the 15<sup>th</sup> day of April, 2019.**

  
\_\_\_\_\_  
Rick Graham, Mayor

ATTEST:

  
\_\_\_\_\_  
April Goad, City Recorder

LEGAL FORM APPROVED:

  
\_\_\_\_\_  
Patrick M. Carter, City Attorney

**EMPLOYMENT AGREEMENT  
CITY OF SPRING HILL CITY ADMINISTRATOR**

This Agreement, made and entered into June 30, 2019, by and between the City of Spring Hill, State of Tennessee, a municipal corporation, hereinafter referred to as “Employer” and Victor Lay, hereinafter referred to as “Employee”.

**1. Duties and Authority.**

The City of Spring Hill, Tennessee, agrees to continue to employ Victor Lay as City Administrator to perform the functions and duties as currently specified in the Spring Hill Charter, applicable ordinances, the Spring Hill Municipal Code and Tennessee Code Annotated, Section 6-4-101. Such duties shall further include performance of other legally permissible and proper duties and functions as the Board of Mayor and Aldermen may from time to time assign.

Employee will provide monthly updates to the Board of Mayor and Aldermen related to all City departments and functions. Such updates should be provided in written form. Additional information may be requested by the Board of Mayor and Aldermen from time to time.

Employee will at all times faithfully and industriously, and to the best of Employee’s ability, experience and talents, perform all of the duties that may be required of and from Employee pursuant to the express and implicit terms of this Agreement, to the reasonable satisfaction of Employer. Employee’s terms and conditions of employment shall be additionally governed by the Personnel Policy of Employer.

**2. Term of Employment.**

This Agreement shall remain in full force and effect from June 30, 2019, (“Effective Date”) until June 29, 2022.

Either Employee or Employer may terminate this Agreement at any time for any reason without cause upon three (3) months’ notice. In lieu of providing Employee three (3) months’ notice for termination without cause, Employer may pay to Employee a severance payment equal to three (3) months’ salary at the rate of pay earned by the Employee at the time of termination. This severance shall be paid in a lump sum unless otherwise agreed to by the Employee and Employer. The Employee shall also be compensated, at the rate of pay earned by the Employee at the time of his termination, for vacation leave, in accordance with the Spring Hill Personnel Policy Handbook.

Termination of this Agreement shall be complete upon the terminating party tendering to the other party written notice of his/its intent to terminate this Agreement.

**3. Termination for Cause.**

This Agreement may be terminated by the Employer upon a finding that:

- (a) Employee engages in any unlawful conduct with his duties of employment with Employer, is guilty of any acts of dishonesty in connection therewith, is convicted of a felony, is convicted of a misdemeanor involving moral turpitude or engages in any conduct detrimental to the business of Employer;
- (b) Employee has engaged in actions deemed by the Employer to be conflicts of interest as defined by state law, the City's Personnel Policies and procedures (as may be amended), or the City's Code of Ethics;
- (c) Employee has engaged in actions deemed by the Employer to be gross negligence;
- (d) Employee has engaged in conduct or activities deemed by the Employer to be detrimental to the name and reputation of the City of Spring Hill provided the Employee was given notice of specific allegations of such inappropriate conduct and Employee failed to cure such deficiencies within thirty (30) days;
- (e) If Employee has earned an average rating of a 2 or less on his annual review (See Sections 11 and 12 herein); or
- (f) Employee is residing outside the city limits of Spring Hill, Tennessee.

Should the Employee be terminated for any of the reasons enumerated in this section, his severance package shall be limited to reimbursement of actual accrued pay and accrued vacation leave, at the rate of pay earned by the Employee at the time of his termination of employment.

**4. Disability.**

If the Employee is permanently disabled, or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four (4) successive weeks beyond any accrued sick leave or family medical leave, the Employer will have the option to terminate this Agreement subject to the severance pay requirement of Section 2 of this Agreement.

**5. Fringe Benefits.**

The Employer will provide the Employee at least the same level of benefits provided to other employees in the City of Spring Hill, including those for health and retirement, and any other benefits provided to other employees of Employer.

**6. Vacation and Sick Leave.**

Employee shall receive vacation and sick leave at a rate not less than that specified for other general employees in the City's Personnel Policy. However, the Employee shall be entitled to one hundred and sixty (160) hours of vacation time annually.

**7. Expenses.**

Employee will be reimbursed by Employer for all expenses reasonably and necessarily incurred by him in furtherance of his duties and the business of the City of Spring Hill, not exceeding the amount budgeted therefor each year in the appropriate account.

**8. Residency Requirement.**

Employee, as a condition of his continued employment, must continue to be a resident of the City of Spring Hill as long as he remains the Spring Hill City Administrator

**9. Professional Development.**

The Employer will pay the cost of the Employee's membership in the Tennessee City Management Association (TCMA) and the International City/County Management Association (ICMA). The Employer will also pay for the Employee's attendance at the annual TCMA conferences and give consideration to an occasional out-of-state ICMA conference when approved by the Board of Mayor and Aldermen.

Employer will reimburse Employee annually in an amount not to exceed Five Hundred (\$500.00) Dollars for Employee's professional licensing as an engineer.

Employer will pay for the travel and subsistence expenses of Employee for short courses, institutes and seminars that are necessary for his professional development and for the good of the Employer.

**10. Other Employment.**

Employee must devote all of Employee's time, attention, knowledge and skills solely to the business and interest of Employer and Employee shall be entitled to all the benefits, profits or other issues arising from or incidental to all work, services and advice of Employee. In doing so, Employee will devote all of Employee's working time to Employer and shall hold no other paying job.

Employee must not, during the term of this Agreement, be interested directly or indirectly, in any manner, as partner, officer, director or shareholder, advisor or employee or in any other capacity in any other entity doing business with Employer.

Nothing contained in this section shall be deemed to prevent or limit the right of Employee to invest any of Employee's money in capital stock or securities of any corporation whose stocks or securities are publicly owned or are regularly traded on any public exchange, nor shall anything contained in this section be deemed to prohibit Employee from investing or limit Employee's right to invest Employee's money in real estate, to the extent that such investments do not violate Tennessee law, the Spring Hill Municipal Code, the Spring Hill Municipal Charter or any ordinance passed by the Board of Mayor and Aldermen.

**11. Performance Evaluation.**

The Employer, through the Board of Mayor and Aldermen, shall review and evaluate the performance of the Employee annually with such evaluation taking place on or about the May 1, but no later than June 1 of each year.

The Employer, through the Board of Mayor and Aldermen, shall review the performance of the Employee utilizing the Evaluation Form attached as Exhibit 1 hereto. Nothing, however, in this section shall be construed as limiting the Employer's authority to conduct an evaluation of the Employee's performance at any time deemed appropriate by majority vote of the Board of Mayor and Aldermen.

Annually, the Board of Mayor and Aldermen and Employee shall define such general goals and performance objectives which they determine necessary for the proper operation of the City of Spring Hill and in the attainment of the Board's policy objectives, and shall further establish a relative priority among those various goals and objectives. Such goals and objectives shall generally be attainable within the time limitations as may be specified and the annual operating and capital budgets and appropriations provided.

During each evaluation period of Employee, and prior to annual budget considerations, the Board of Mayor and Aldermen shall review the compensation rate of Employee. The Board of Mayor and Aldermen shall give consideration to performance of Employee, available revenue and the pay scale of comparable cities in size and location.

**12. Compensation.**

Employer agrees to pay to Employee an annual base salary of \$145,000.00 payable in installments at the same time that other employees of the Employer are paid. Employee's salary may be increased annually, subsequent to Employee's Performance Evaluation (See Paragraph 11), up to five percent (5%).

The average of the yearly City Administrator Evaluation shall be calculated by adding the numeric ratings of completed evaluation forms for a given year and dividing said sum by the number of said ratings. An average rating of 4 shall automatically qualify Employee for a 5% increase in salary. An average rating of 3 to 3.9 shall qualify Employee for a 2.5% increase in salary. An average rating of less than 3 shall disqualify Employee from a salary increase for that year.

**13. Employee's Inability to Contract for Employer.**

In spite of anything contained in this Agreement to the contrary, Employee must not make, enter or execute any contract or other commitments, whether written or orally made, for or on behalf of Employer without first obtaining the express consent, through ordinance or resolution of the Board of Mayor and Aldermen.

In the event that Employee enters into any agreement or pays any funds under the control of the Employer which has not been specifically approved by ordinance or resolution, the Employee hereby agrees to indemnify and hold harmless the Employer for any costs or damages incurred by the Employer in connection with such unauthorized agreement, commitment or payment.

It is understood and agreed that Employer may withhold any compensation due under Sections Two and Three of this Agreement for reimbursement of such costs or damages.

**14. Covenants of Employee.**

Employee must not directly or indirectly at any time during his employment with Employer, and for a period of two (2) years after the termination of the Employer-Employee relationship, solicit or attempt to solicit any employee, agent, independent contractor or consultant of Employer to leave employment of Employer. Furthermore, the Employee must not assist or attempt to assist any person, firm or corporation in any way to solicit any employee, agent, independent contractor or consultant of Employer to leave the Employment of Employer.

Upon Employee's termination of employment with Employer, either by expiration of this Agreement or otherwise, Employee shall not be entitled to keep or preserve the records, documents or other instruments of Employer and agrees to return all documents, records and other instruments to Employer regarding the business and operations of the City of Spring Hill.

**15. Amendments.**

This Agreement must only be amended by the written mutual consent of the Employer and the Employee.

**16. Notice.**

Any notices required to be sent hereunder shall be hand delivered or sent by certified mail to the following addresses:

Employer: City of Spring Hill, Tennessee  
ATTN: Mayor Rick Graham  
P.O. Box 789  
Spring Hill, TN 37174

Copy to: Patrick M. Carter, Esq.  
809 South Main Street, Suite 100  
Columbia, TN 38401

Employee: Victor Lay  
2003 Fishers Loop  
Spring Hill, TN 37174

**17. Effective Date and Severability.**

This Agreement contains the entire understanding concerning the employment arrangement between Employee and Employer and shall, on the herein recited Effective Date, supersede all prior agreements between the parties. It is further agreed that neither party has made any representations with respect to the subject matter of this Agreement not specifically included in this Agreement nor has either party relied on any such representation in entering into this agreement.

The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

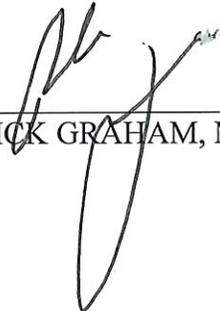
**18. Venue and Jurisdiction.**

This Agreement shall be interpreted in accordance with Tennessee law and the venue for any dispute between the parties shall be in the Circuit Court for Maury County, Tennessee.

IN WITNESS WHEREOF, the City of Spring Hill, Tennessee, has caused this Agreement to be signed and executed on its behalf by and through its Board of Mayor and Aldermen and duly attested by the City Recorder, and the Employee has signed and executed this Agreement in duplicate.

  
\_\_\_\_\_  
VICTOR LAY, Employee

CITY OF SPRING HILL, TENNESSEE

By:   
\_\_\_\_\_  
RICK GRAHAM, Mayor