STATE OF NORTH CAROLINA COUNTY OF ROCKINGHAM

Stoneville Interim Town Manager Employment Agreement

This Agreement is made and effective this the 1st day of July, 2021, by and between the Town of Stoneville, North Carolina, a municipal corporation (hereinafter referred to as "Employer"), and Perry Webster (hereinafter referred to as "Employee").

WHEREAS, Employer governs its affairs using a council-manager form of government as set forth in an Ordinance dated March 12, 1991 amending its Town Charter, and as supplemented by authority provided in N.C. Gen. Stat. §160A-147; and

WHEREAS, Employee was offered the position of interim Town Manager for a period of July 1, 2021 to June 30, 2022;

WHEREAS, both Employee and Employer agree that there has been adequate consideration given for the Agreement and both parties have reviewed and agree to the terms herein; and

NOW THEREFORE, both parties shall be bound by the following provisions:

Section 1: Term

This Agreement shall remain in full force and effect from the Employee's start date of July 1, 2021 until June 30, 2022.

Section 2: Duties and Authority

Employee shall serve as Town Manager and shall perform the functions and duties of his office as specified in the General Statutes of North Carolina, in the Town Charter, and in the Town Code of Ordinances, and employee shall perform such other legally permissible duties and functions assigned by Employer. Employee shall at all times comply with Town Personnel Policies, lawful directives of the Town Council, and all applicable local, state and federal regulations. Employee shall exhibit a high level of competence and efficiency in performing her duties and shall perform such duties with reasonable care, diligence, and skill.

Section 3: Compensation

Base Salary: Employer agrees to pay Employee an annual base salary in the amount of \$34,975, payable in installments at the same time and in the same manner that other Town employees are paid.

This agreement will not include any salary or cost of living adjustments that are provided for all Town employees. Employee will be eligible for (but not guaranteed) annual bonuses to be determined by the Town Council and awarded at its discretion. Employee's eligibility for a bonus will be considered annually during the Town's budget process in February of each year

and any modifications will become effective on March 1 of the fiscal year in which it is approved, unless otherwise determined by the Town Council. Any annual bonus awarded should be awarded on the basis of merit and/or change in the scope of Employee's responsibilities.

Section 4: <u>Interim Part Time Employee</u>

Employee acknowledges and understands that he is an interim part time employee and will work a maximum of 20 hours per week. Any additional hours worked will be on a voluntary basis and Employee will not accrue overtime for the additional time worked. Employee will not exceed 1,000 hours of work per calendar year.

Section 5: No Benefits, Retirement or Deferred Compensation

Employer will not provide any health, disability, life insurance benefits, retirement, or deferred compensation to Employee. Employee receives benefits through the Local Government Employee Retirement System (LGERS) and nothing in this agreement shall be construed to violate the eligibility provisions of LGERS.

Section 6: Vacation and Sick Time

Employee may take vacation days on recognized Town holidays. Employee will not accrue sick time and vacation leave.

Section 7: Technology

Employer shall provide Employee with the appropriate technology required for the Employee to conduct and fulfill the duties of the position and to maintain communication. This includes providing Employee with a cell phone and service at no cost to the Employee.

Section 8: Termination

For the purpose of this agreement, termination shall occur when:

- A. The majority of the Town Council votes to terminate Employee at a duly authorized public meeting. If the Town Council votes to terminate Employee, the Council must give Employee 45 days' notice.
- B. If the Employer, citizens or legislature act to amend provisions of the Town Charter, Town Code, or other enabling legislation that substantially change the role, powers, duties, authority, responsibilities of the Employee, the Employee shall have the right to declare in good faith, that such amendments constitute termination.
- C. If the Employer reduces the base salary, compensation or any other financial benefit of the Employee, unless such reduction is applied in no greater percentage than the average reduction of all similarly situated Town employees, such as department heads, Employee shall have the right to declare, in good faith, that such action shall be regarded as a termination. If the Employee resigns following an offer to accept resignation, whether formal or informal, by the Mayor, Mayor Pro-Tempore or Town Attorney as representative of the majority of the governing body, then the Employee may declare a termination as of the date of the suggestion.

E. If circumstances described in Section 8B or 8C shall occur, Employee shall provide Employer 45 days' notice of intent to resign to allow Employer an opportunity to address the situation. Written notice shall be provided in accordance with the provisions of Section 13.

Section 9: Resignation

In the event of retirement or the Employee voluntarily resigning his/her position with the Employer to accept employment elsewhere, the Employee shall provide a minimum of forty-five (45) days' notice unless the parties agree otherwise.

Section 10: Performance Evaluation

Employer shall review the performance of Employee as needed. Employer will endeavor to conduct a six-month evaluation with Employee in December 2021 or January 2022. All evaluation information will remain confidential and a copy of any written evaluation will be kept in the Employee's personnel file.

If Employer identifies any areas of improvement or deficiencies, Employer agrees to notify Employee of the issue and will give him 30 days to attempt to cure the deficiency. If Employee fails to cure the deficiency, he may be subject to disciplinary action or termination. Employee will have an opportunity to provide a written response to any deficiency or disciplinary action if he chooses to do so.

Section 11: Indemnification

To the extent allowed by N.C. Gen. Stat. § 160A-167 and other applicable law, Employer shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, and from all losses, damages, judgments, interest, settlements, fines, court costs arising out of an alleged act or omission allegedly occurring during the performance of Employee's duties as Town Manager or resulting from the exercise of judgment or discretion in connection with the performance of her duties or responsibilities for the Town, unless the act or omission involves willful or wanton conduct. Employee may request and Employer shall not unreasonably refuse to provide legal representation at Employer's expense. Any settlement of any claim must be made with prior approval of Employer in order for indemnification, as provided in this Section, to be available.

Employee recognizes that Employer shall have the right to compromise, provided that if Employee remains a party to the suit and must pay any portion of the amount or such compromise or settlement is of a personal nature to Employee, Employee shall have a veto authority over the settlement. Further Employer agrees to pay all reasonable litigation expenses of Employee throughout the pendency of any litigation to which the Employee is a party, witness or advisor to the Employer in connection with Employee's service as Town Manager. Such expense payments shall continue beyond Employee's service to the Employer as long as litigation is pending. Further Employer agrees to pay Employee reasonable consulting fees and travel expenses when Employee serves as a witness, advisor or consultant to Employer regarding pending litigation that does not involve allegations concerning Employee's acts or omissions.

Section 12: Bonding

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

Section 13: Notices

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

EMPLOYER: Mayor Stanley Galvan, 101 Smith Street, Stoneville, NC, with a copy to the Town Attorney

EMPLOYEE: Perry Webster, 109 Deaton Loop, Stoneville, NC 27048.

Alternatively, notice required pursuant to this Agreement may be personally served on Employee or the Mayor. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 14: General Provisions

- A. Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this agreement during the life of the agreement. Such amendments shall be incorporated and made a part of this agreement.
- B. Binding Effect. This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.
 - C. Effective Date. This Agreement shall become effective on 1 July, 2021.
- D. Severability. 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.
- E. Headings. The headings to the various sections of this Agreement have been inserted for convenience only and shall not modify, define, limit, or expand express provisions of this Agreement.
- F. Counterparts. This Agreement may be executed simultaneously in one (1) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.

IN WITNESS THEREOF, the parties have executed this Agreement as of the respective dates set forth below and each hereby acknowledges receipt of an executed copy of this Agreement.

BY THE EMPLOYER:		
Mayor Kathy Stanley-Galvan	Date	
BY THE EMPLOYEE:		
Perry Webster	Date	