

## CITY MANAGER EMPLOYMENT AGREEMENT

### **CHARLOTTESVILLE CITY MANAGER EMPLOYMENT AGREEMENT**

**THIS AGREEMENT**, made and entered into this 17<sup>th</sup> day of July, 2023, by and between the Council of the City of Charlottesville, Virginia, a municipal corporation, hereinafter referred to as “City” and Samuel Sanders, Jr., hereinafter referred to as “Employee” (each may individually be referred to hereinafter as a “Party” and collectively may be referred to hereinafter as “Parties”) both of whom mutually understand and agree to the following terms:

#### **WITNESSETH:**

**WHEREAS**, the City desires to contract with and employ the Employee as the City Manager of Charlottesville, Virginia pursuant to Section 5(e) of the Charlottesville City Charter and Section 2-146, et seq. of the Charlottesville City Code (1990) and as both texts may be amended from time to time; and

**WHEREAS**, the City Council is enabled and authorized to hire a City Manager pursuant to Virginia Code Section 15.2-1540; and

**WHEREAS**, the Employee desires to serve as the City Manager of Charlottesville, Virginia.

**NOW, THEREFORE**, in consideration of the mutual covenants described in the following sections of this Agreement, the Parties agree as follows:

#### **SECTION 1. EMPLOYMENT**

Employee agrees to perform the duties of City Manager of Charlottesville, Virginia as those duties are detailed in the City’s current City Manager job description and in the Charter of the City of Charlottesville, the Code of the City of Charlottesville, and the Code of Virginia and as all of the aforementioned authorities may be amended from the date this Agreement is executed. Additionally, the Employee agrees to perform other duties and functions as the City may assign him in his capacity as City Manager of Charlottesville, Virginia.

The employment provided for by this Agreement shall be the Employee’s sole employment. Recognizing that certain outside consulting or teaching opportunities may provide indirect benefits to the City and the community, the Employee may elect to accept limited teaching, consulting, or other business opportunities with the understanding that such arrangements shall not constitute interference with, nor a conflict of interest with, his responsibilities under this Agreement, and that such outside employment shall be subject to the advice and consent of the Charlottesville City Council.

#### **SECTION 2. THE EMPLOYMENT RELATIONSHIP**

The Parties acknowledge that the employment relationship established by this Agreement is employment-at-will subject to the terms and conditions of this Agreement.

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It is recognized that the Employee is exempt from the Fair Labor Standards Act minimum wage and overtime work requirements. The Employee acknowledges that the proper performance of the duties as City Manager will require the Employee to generally observe normal business hours but will also often require the performance of necessary services outside of normal business hours. The Employee agrees to devote such additional time as is necessary for the full and proper performance of the Employee's duties and that the compensation provided in this Agreement includes compensation for the performance of all such services.

The Employee shall be subject to and shall comply with the rules and standards of conduct specified within the City's Personnel Regulations which are not inconsistent with this Agreement, including, but not limited to, City policies regarding sexual harassment, non-discrimination, and fraud. The Employee shall read and familiarize himself with the Virginia State and Local Government Conflict of Interests Act, set forth within Virginia Code Section 2.2-3100 et seq. and the Virginia Freedom of Information Act, set forth within Virginia Code Section 2.2-3700 et seq.

### **SECTION 3. TERMINATION BY EMPLOYEE**

The Employee may terminate this Agreement at any time by voluntarily resigning. In the event that the Employee voluntarily resigns his position with City, the Employee shall provide a minimum written notice of sixty days (60) days of his intent to resign to the City unless the Parties agree otherwise.

### **SECTION 4. TERMINATION BY CITY COUNCIL**

Nothing contained in this Agreement shall impair the right of the City to terminate the Employee's employment relationship with the City at any time. The Charlottesville City Council retains the sole discretion to terminate this Agreement without any formal investigation or hearing and without stating any charges or complaints against the Employee.

The City may terminate this Agreement by a vote of the Charlottesville City Council. If the City terminates this Agreement, it shall be subject to the provisions of Section 6 of this Agreement.

### **SECTION 5. TERMINATION ON DISABILITY OR DEATH**

If the Employee becomes permanently disabled, or if he is unable to perform his duties because of sickness, accident, injury or mental incapacity for a period of four successive weeks beyond the expiration of any accrued sick leave, this Agreement may be terminated by the City. The City will have no obligation to pay the Employee any severance compensation or benefits pursuant to Section 6 of this Agreement.

If this Agreement is terminated by the death of the Employee, the City shall not incur any additional obligations, but shall remain obligated for the payment of any insurance or other benefits legally due and payable to the Employee's heirs, assigns, or estate.

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### **SECTION 6. COMPENSATION AND BENEFITS UPON SEVERANCE**

If the City terminates the Employee for cause, the City will not be obligated to provide the Employee with any severance benefits except for payment of any unused annual leave balance. For purposes of this Agreement, "cause" is defined as (a.) willful neglect of duty; (b.) The Employee's breach of this Agreement with the City; (c.) conviction of a criminal offense other than a traffic law violation; (d.) incompetence, misfeasance, or malfeasance in the performance of Employee's duties for the City of Charlottesville; or (e) commission of an illegal act involving personal gain to Employee. As used herein, "incompetence" shall mean gross ignorance of the Employee's official duties or gross carelessness in the discharge of the Employee's official duties. As used herein, "misfeasance" shall mean the improper performance of an act that the Employee is legally authorized to execute. As used herein, "malfeasance" shall mean the Employee performs an act that the Employee is not legally authorized to execute or the Employee refuses to perform an act that the Employee is legally obligated to execute.

The City will provide the Employee severance benefits in a lump sum payment equal to one year of his annual salary if the City terminates his contract without cause. If the City terminates the Employee's contract without cause, the Employee will be paid for any unused annual leave pursuant to terms of this contract.

### **SECTION 7. COMPENSATION**

The City shall pay the Employee, and the Employee agrees to accept from the City, an annual base salary of \$240,000.00, payable in installments as provided for City employees generally.

The City will provide the Employee an annual motor vehicle allowance of \$6,600.00 (\$550.00 per month) for business use and parking expenses for a personal vehicle in lieu of the use of a city vehicle., payable in installments as provided for City employees' salaries.

### **SECTION 8. BENEFITS**

The City will provide the Employee 80 hours of discretionary leave on January 1 of each year which shall not accrue or carry over. Employee will accrue 4.62 hours of vacation leave per year that will be accrued on a bi-weekly basis (120.12 hours per year). The Employee may carry over a maximum of 200 hours of annual leave per year. The Employee shall accrue sick leave at the rate of 4.62 hours per pay period (120.12 hours per year). Neither sick leave nor annual leave may be used until it is accrued.

The City shall provide the Employee all other benefits that are provided to full-time permanent City employees pursuant to the City's Personnel Policies and Procedures.

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### **SECTION 9. PERFORMANCE EVALUATION**

The Charlottesville City Council will conduct an annual performance evaluation of the Employee no later than June 1st of each year and this evaluation will be an opportunity for the Employee and the Charlottesville City Council to discuss the Employee's performance as well as the Employee's compensation and benefits. The Charlottesville City Council will conduct an initial performance evaluation of the Employee no later than June 1, 2024. If the Employee receives a satisfactory initial performance evaluation, his annual salary shall be increased by five percent (5%). Subsequent evaluations will be conducted no later than June 1st annually. Compensation increases after Employee's initial evaluation shall be in Council's discretion.

### **SECTION 10. RESIDENCY**

The Employee shall permanently reside within the City of Charlottesville's corporate limits within twelve months of execution of this Agreement. If the Employee fails to permanently reside within the City of Charlottesville's corporate limits within twelve months of execution of this Agreement, the City may terminate this Agreement for "cause" as a breach of this Agreement, and the City will not have any obligation to pay the severance compensation and benefits to the Employee pursuant to Section 6 of this Agreement.

For purposes of this Agreement, "permanently reside" shall mean the Employee's purchase or lease of a residential dwelling unit and the occupancy of that dwelling no less than 75% of the time during an average work week while in the employment of the City.

### **SECTION 11. PROFESSIONAL DEVELOPMENT**

The City shall provide a reasonable budget for, and will pay reasonable amounts of the Employee's reasonable costs for tuition or registration, travel, per diem and incidental expenses, in accordance with applicable City policies, for: (i) activities that will further develop his knowledge, skills and abilities as the City Manager, including annual professional training conferences each year; and (ii) professional dues and subscriptions for the Employee, reasonably required or necessary for full participation in relevant national, regional, state, and local professional associations and organizations related to the Employee's duties as the Charlottesville City Manager.

### **SECTION 12. INDEMNIFICATION**

The City will defend, save harmless and indemnify the Employee against any tort or professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of the Employee's duties, to the maximum extent provided for by law.

The City agrees to pay all reasonable litigation expenses of the Employee throughout the pendency of any litigation to which the Employee is a party in his official capacity as City Manager of Charlottesville, Virginia. Such expense payments shall continue beyond Employee's

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service to the City of Charlottesville as long as any litigation is pending. The City agrees to pay the Employee's travel expenses when the Employee serves as a witness to the City of Charlottesville regarding pending litigation.

### **SECTION 13. BONDING**

The City will bear the full cost of any fidelity or other bonds required of the Employee pursuant to any law or ordinance.

### **SECTION 14. NO REDUCTION IN SALARY OR BENEFITS**

The City will not reduce the salary, compensation, or benefits of the Employee for the duration of this Agreement, except to the degree it imposes such a reduction across-the-board for all City employees.

### **SECTION 15. NOTICES**

Any notice required by this Agreement to be provided to the City shall be in writing and either hand delivered or delivered to the Clerk of the Charlottesville City Council, City Hall, 605 East Main Street, Charlottesville, Virginia, 22902. Any notice required by this Agreement to be provided to the Employee shall be in writing and either hand delivered or delivered to Employee at his permanent residence.

### **SECTION 16. BREACH**

In the event that one of the Parties deems that there has been a breach of this Agreement, that Party shall provide written notice to the other Party pursuant to Section 15 of this Agreement.

The failure of either Party to enforce, or to delay enforcing, any term or condition of this Agreement, shall not be deemed to be a waiver of that Party's right to enforce the term or condition.

### **SECTION 17. CHOICE OF LAW**

This Agreement shall be governed by, subject to, and interpreted in accordance with the laws of the Commonwealth of Virginia. Venue for any legal action pursuant to this Agreement shall lie in the Circuit Court of the City of Charlottesville, Virginia.

### **SECTION 18. AMENDMENTS**

Any amendment to this Agreement shall be mutually agreed upon, stated in writing, and executed by the City and the Employee.

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**SECTION 19. NONAPPROPRIATION**

The financial obligations of the City pursuant to this Agreement are subject to appropriations made by the Charlottesville City Council.

**SECTION 20. SEVERABILITY**

The terms and conditions of this Agreement are severable. In the event any term or condition is held to be invalid by any competent court, this Agreement shall be interpreted as if the invalid term or condition was not part of the Agreement.

**SECTION 21. ENTIRE AGREEMENT**

This Agreement sets forth the entire agreement of the parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Employment Agreement shall supersede all previous communications, representations, or agreements either verbal or written between the parties.

IN WITNESS WHEREOF, the Charlottesville City Council has caused this Agreement to be signed and executed on its behalf by its Mayor and the Employee has signed and executed this Agreement on this 17<sup>th</sup> day of July, 2023.


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Lloyd Snook  
Mayor of the City of Charlottesville

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Samuel Sanders, Jr.  
Employee

Approved as to Form:

  
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Jacob P. Stroman  
City Attorney