

**North Carolina
Rowan County**

Employment Agreement

THIS AGREEMENT, made and entered into this 29th day of March, 2021, by and between the Town of Landis, North Carolina, a municipal corporation, hereinafter called "Employer" or "Governing Body" as party of the first part, and Diane W. Seaford, , hereinafter called "Employee" or "Manager", as party of the second part, both of whom understand as follows:

WITNESSETH

WHEREAS, Employer desires to secure the services of said Diane W. Seaford, as Town Manager of the Town of Landis, NC, as provided for in the Town Charter and NC General Statute 160A-148 et seq., and

WHEREAS, it is the desire of the Governing Board, hereinafter called "Governing Body" to provide certain benefits, to establish certain conditions of employment and to set working conditions of said Manager; and

WHEREAS, it is the desire of the Governing Body to (1) retain the services of Diane Seaford, and to provide inducement for her to remain in such employment, (2) to make possible full work productivity and independence by assuring Manager's morale and peace of mind with respect to future security, and (3) to provide a just means for terminating Manager's services at such time that Employer may desire to terminate her employ; and

WHEREAS, Employee desires to begin employment as Town Manager of the Town of Landis;

NOW, THEREFORE, In consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1. Powers and Duties of the Local Government Manager

- A. Employer hereby agrees to retain Diane W. Seaford as Manager of the Town of Landis to perform the functions and duties specified in the Town Code of Ordinances, North Carolina General Statutes, this agreement and those, otherwise reasonably assigned to her from time to time by the Governing Body.
- B. The Manager shall be the Chief Administrative Officer of the Town of Landis, NC. She shall be responsible to the Governing Body for the proper administration of all affairs of the Town of Landis. To that end, she shall have the power and be required to:
 - 1. Appoint and, when necessary in her judgement for the good of the Town, suspend or remove any employee of the Town, except as otherwise provided herein or by the Town Charter or State Law.

2. Prepare the budget annually, including all funds of the Town of Landis, without exception, and submit it to the Governing Body together with a message describing the important features, and be responsible for its administration after adoption.
3. Oversee the submission of an annual report to the Governing Body on the finances and administrative activities of the Town of Landis as of the end of each fiscal year.
4. Direct and supervise the administration of all departments, offices, and agencies of the Town of Landis, subject to the general direction of the Governing Body.
5. Keep the Governing Body advised of the financial condition and future needs of the Town, and make such recommendations, as she shall deem advisable.
6. Recommend to the Governing Body the adoption of a pay and compensation policy, which shall guide her administration of the compensation system.
7. Recommend to the Governing Body, adoption of such measures as she may deem necessary to expedite the health, safety or welfare of the Town, or the improvement of the administrative services.
8. Attend all meetings of the Governing Body, unless excused therefrom, and take part in the discussion of all matters coming before the Governing Body.
9. Supervise the purchase of all materials, supplies and equipment for which funds are appropriated; advise the Governing Body on the advantages or disadvantages of contract and bid proposals; and issue rules governing purchasing procedures within the administrative organization.
10. See that all laws and ordinances are duly enforced.
11. Investigate the affairs of the Town or any department or division thereof. Investigate all complaints in relation to matters concerning the administration of the government of the Town, and, in regard to service maintained by the public utilities in the Town, and see that all franchises, permits, and privileges granted by the Town are faithfully observed.
12. Perform other such duties as may be required by the Governing Body, not inconsistent with the Town Charter, law or ordinances, or this Agreement.

Section 2. Term

- A. The Manager serves at the pleasure of the Governing Body and nothing herein shall be taken to prevent, limit or otherwise interfere with the right of the Governing Body to terminate the services of the Manager at any time subject only to the provisions of Section 3 of this Agreement.

- B. The term of this Employment Agreement shall begin at 12:01 A.M. on March 31, 2021 and shall continue until terminated with or without cause by the Governing Body as herein provided.
- C. In the event Manager voluntarily resigns before expiration of the term of this Agreement, then Manager shall give the Governing Body at least sixty (60) days' advance notice unless the parties agree otherwise.
- D. Manager agrees to remain in the exclusive employ of the Town of Landis during the terms of this Agreement. The term "employed", however, shall not be construed to include occasional teaching, writing, speaking or consulting performed on Manager's time off, even if outside compensation is provided for such services. Said activities are expressly allowed, provided that in no case is any activity allowed which would present a conflict of interest with the Town of Landis. In the event overnight travel is required for such non-Employer-related business, the Governing Body shall be notified in advance.

Section 3. Termination of Employment

- A. Termination for Cause. Throughout the term of this Employment Agreement, the Manager shall be subject to discharge for cause (as herein defined). For purposes of this Agreement, the Governing Body shall have "cause" to terminate this Agreement upon a determination by the Board, in good faith, that Manager (A) has breached in any material respect any of the terms or conditions of this Agreement or any Town Policy; (B) has failed in any material respect to perform or discharge her duties or responsibilities of employment in the manner provided herein; (C) engages in conduct involving gross negligence or willful misconduct; (D) engages in conduct that by common judgment reflects significantly unfavorably upon the Manager's ability to continue to serve and to perform the essential functions of her office; or (E) is convicted of a felony or misdemeanor involving moral turpitude.

The Board also shall not arbitrarily or capriciously call for the termination of the Manager for cause, and the Manager shall have the right to receive written grounds for her discharge, a fair hearing before the Board, and at least ten (10) days' written notice of said charges and hearing. At such hearing before the Board, the Manager shall have the right to be present and to be heard, or represented by counsel, and to present through witnesses any testimony relevant to the grounds of discharge identified by the Board of Aldermen for her termination. A transcript of the record of the proceedings before the Board of Aldermen shall be made available without charge to the Manager. If the Manager chooses to be accompanied by legal counsel at the hearing before the Board of Aldermen, the Manager will assume the cost of her legal expenses.

- B. Termination without Cause. In the event the majority of the Governing Body takes action to terminate the employment of the Manager without cause under this Agreement, and during such time as the Manager is willing and able to perform her

duties under this Employment Agreement, then the Employer agrees to pay the Manager up front, a lump sum cash payment for all accrued and unused vacation, holiday, or other leave owed to Manager through the termination date. Thereafter, Manager will continue to receive salary and benefits to include contributions to the Local Government Retirement System, NC Prudential 401-K and health insurance coverage for a period of six (6) months as severance pay. No other benefits such as an automobile allowance or accrual of leave time will be provided during this six (6) months period.

- C. In the event the Governing Body at any time reduces the salary, compensation, or other benefits of the Manager in a greater amount than an applicable across-the-board reduction for all employees of the Town, or in the event the Governing Body refuses to comply with any other provision benefiting the Manager herein, then and in that event, Manager may at her option, be deemed to be terminated as provided herein.
- D. Should the Manager be permanently disabled or otherwise unable to perform her duties because of sickness, accident, injury, mental incapacity or health for a period of four (4) successive weeks beyond any accrued leave, the Governing Body shall have the right to terminate this Agreement subject to the severance provisions of Section 3B above.
- E. The terms of this Agreement shall remain in full force and effect and hold over until employment is terminated under the terms herein, or a new Agreement has been negotiated and entered into by Manager and Governing Body.
- F. Contemporaneously with the delivery of the severance pay herein above described, Employee agrees to execute and deliver to Employer a release, releasing Employer of any claims that Manager may have against Employer.

Section 4. Salary and Deferred Compensation

- A. Employer agrees to pay Manager at the annual base salary of Ninety-Five Thousand Dollars (\$95,000.00), payable bi-weekly.
- B. In addition to Manager's annual base salary, Manager shall receive a contribution of 5% of her base salary as deferred compensation to the Prudential NC 401k Plan in the same manner in which the Town of Landis makes to other employees.
- C. Following the initial six (6) months period of employment as town manager, the manager's annual salary will be adjusted for cost of living increases in the same manner in which the Town makes for all other employees.

Section 5. Retirement Benefits

The Manager shall be covered and governed by the same retirement system as all other non-public safety employees. Calculations for retirement contributions shall include all compensation normally reportable to the IRS.

Section 6. Insurance Coverage

The Manager shall be covered by the same health, life and dental plans as all other employees.

Section 7. Bonding

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

Section 8. Automobile Allowance

The Manager will use her personal vehicle for the conduct of business within the Town of Landis, Rowan County and Cabarrus County. She will receive a vehicle allowance in the amount of \$300.00 per month for such travel. For all other travel she will be reimbursed at the published federal rate for mileage and subsistence.

Section 9. Other Benefits

All provisions of the Town's Personnel Policies and Procedures relating to fringe benefits and working conditions as they now exist or hereafter may be amended, shall also apply to the Manager, in addition to those provided herein. Manager's vacation accrual rate will continue at her current rate.

Section 10. No Reduction of Benefits

The Employer shall not at any time during this agreement reduce the salary, compensation, or other financial benefits of the Manager, except to the degree such a reduction is across-the-board for all employees of the Employer.

Section 11. Hours of Work

It is recognized that the Manager must devote a great deal of time outside normal office hours to the business of Employer, and to that end Manager will be allowed to take compensatory time off as she shall deem appropriate during said normal office hours, to the extent that it does not reasonably interfere with the orderly management of the Town.

Section 12. Professional Development

Employer encourages Manager to continue her professional development through association with the NC School of Government, NC League of Municipalities, Electricities and similar sources that benefit both the Manager and citizens of Landis. Employer further agrees to provide funding for such efforts to include payment of professional dues, subscriptions, travel, and subsistence expenses as necessary.

Section 13. Performance Evaluation

The Governing Body agrees to conduct a formal review of the Manager's performance after six months. Upon a satisfactory review of her performance, the Board agrees to award the Manager a 3% increase to her base salary. Thereafter, Employer agrees to conduct annual reviews of the Manager's performance, after which increases to her annual base salary and/or benefits may be awarded, in light of her performance and budget restraints.

Section 14. Indemnification

Employer shall defend, save harmless and indemnify Manager against any tort, 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 her actual duties as Manager. Employer will compromise and settle any such claim or suit and the amount of any settlement or judgment rendered thereon. Said indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement, to provide full and complete protection to the Manager by the Town of Landis as described herein, for any acts undertaken or committed in her capacity as Manager, regardless of whether the notice of filing of a lawsuit for such tort, claim, demand or other legal action occurs during or following employment with Employer.

Section 15. Notices

Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows or delivered in person in the same manner as is applicable to civil judicial practice:

Employer: Town of Landis
 P.O. Box 8165
 Landis, NC 28088

Manager:

Section 16. General Provisions

- A. The text herein shall constitute the entire Agreement between the parties.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Manager.
- C. This Agreement shall become effective upon adoption and approval by the Governing Body of the Town of Landis.

D. If any provisions, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, the Town of Landis has caused this Agreement to be signed and executed in its behalf by its Mayor and duly attested by its Town Clerk, and the Manager has signed and executed this Agreement, in both duplicate, the day and year first written above on March 29, 2021.

Town of Landis

By: Meredith Bare Smith
Meredith Bare Smith, Mayor

By: Diane W Seaford
Diane W. Seaford, Manager

Attested by:

By: Amber S. Levi
Amber S. Levi, Town Clerk