

# CITY OF LAVON, COLLIN COUNTY TEXAS

## ORDINANCE NO: 2012-08-06

### Chief of Operations Contract

**AN ORDINANCE OF THE CITY OF LAVON, COLLIN COUNTY, TEXAS, REPEALING ORDINANCE NO. 2009-04-02, AS AMENDED, AND AUTHORIZING THE MAYOR TO EXECUTE A CHIEF OF OPERATIONS EMPLOYMENT CONTRACT SETTING OUT THE CONDITIONS AND AGREEMENTS RELATED TO THE EMPLOYMENT OF THE J. MICHAEL JONES AS CHIEF OF OPERATIONS; PROVIDING REPEALER AND SEVERABILITY CLAUSES AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Lavon desires to employ J. Michael Jones (“Mr. Jones”) as its Chief of Operations; and

**WHEREAS**, Mr. Jones desires to work for the City of Lavon as its Chief of Operations upon the terms and conditions set forth in the attached Chief of Operations employment Contract (“Chief of Operations Contract”); and

**WHEREAS**, the meeting at which this ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code;

**NOW THEREFORE: BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS:**

#### **SECTION 1. Findings**

The City Council of the City of Lavon finds that the above foregoing recitals are true and correct and are hereby incorporated for all purposes as official findings of the City Council of the City of Lavon.

#### **SECTION 2. Repeal of Prior Ordinances**

The City Council has determined and finds that Ordinance No. 2009-04-02, as amended should be and is hereby repealed and rescinded concurrently with and only upon the execution of the attached Chief of Operations Contract by the Mayor on behalf of the City and by Mr. Jones.

#### **SECTION 3. Terms and Conditions**

In conjunction with the repeal of Ordinance No. 2009-04-02, as amended, the terms and conditions of the Chief of Operations Contract, attached as Exhibit “A”, are hereby approved, authorized, and accepted and the Mayor is hereby authorized and directed to execute this ordinance and the attached Chief of

Operations Contract and deliver an executed copy of the Chief of Operations Contract to Mr. Jones for consideration and execution.

**SECTION 4. Authorizing Action**

The City Council of the City of Lavon shall take all necessary and appropriate action to effectuate the terms of this ordinance and the Chief of Operations Contract including amending the Lavon Code of Regulations to reflect these actions by the City Council.

**SECTION 5. Repealing Prior Actions**

All prior ordinances, amendments or actions by the City of Lavon in conflict with this ordinance or the Chief of Operations Contract are hereby rescinded, voided and repealed to the full extent of that conflict.

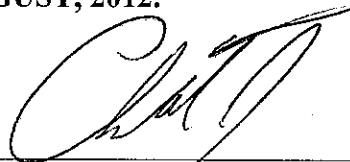
**SECTION 6. Saving Clause**

It is hereby declared by the City Council of the City of Lavon that if any of the sections, paragraphs, sentences, clauses or phrases of this ordinance shall be declared unconstitutional or otherwise illegal by the valid judgement or decree of any court of competent jurisdiction, such event shall not effect any remaining the sections, paragraphs, sentences, clauses or phrases of this ordinance.

**SECTION 7. Effective Date**

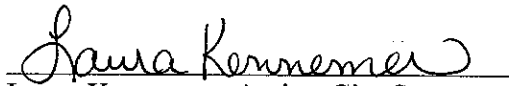
This ordinance shall be in full force and effect from and after its passage and it is so ordained.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS ON THIS 21<sup>st</sup> DAY OF AUGUST, 2012.**



\_\_\_\_\_  
The Honorable Charles Teske, Mayor

Attest:

  
\_\_\_\_\_  
Laura Kennemer, Acting City Secretary

Primary Sponsor: Mayor Charles Teske

Additional Sponsors:

**Chief of Operations Contract**  
City of Lavon

THE STATE OF TEXAS     §  
  §  
COUNTY OF COLLIN     §

KNOW ALL MEN BY THESE PRESENTS:

THIS CHIEF OF OPERATIONS CONTRACT ("Contract") is made and entered into effective the 21<sup>st</sup> day of August, 2012, by and between the City of Lavon, Texas, a Texas municipal corporation (the "City") and J. Michael Jones ("Mr. Jones").

**WITNESSETH:**

WHEREAS, the City Council of the City (the "Council") and Mr. Jones believe that an employment Contract negotiated between the Council, on behalf of the City, and the Mr. Jones can be mutually beneficial to the City, the Chief of Operations, and the community they serve; and

WHEREAS, when appropriately structured, the Council and the Mr. Jones believe an employment contract can strengthen the Council-Chief of Operations relationship by enhancing the excellence and continuity of the operations division of the City ("Operations Division") for the benefit of its citizens; and

WHEREAS, the Council, on behalf of the City, desires to employ the services of Mr. Jones, as the Chief of Operations of the City ("Chief of Operations"), pursuant to the terms, conditions and provisions of this Contract; and

WHEREAS, the Council, on behalf of the City, supports Mr. Jones's plan for retirement from the position of City Marshal of the City ("City Marshal"), pursuant to the terms, conditions and provisions of this Contract; and

WHEREAS, Mr. Jones has agreed to accept employment as the Chief of Operations, subject to the terms, conditions and provisions of this Contract.

NOW, THEREFORE, the City and Mr. Jones, for and in consideration of the terms, conditions and provisions hereinafter established have agreed, and do hereby agree as follows:

**I. TERM**

1.1 **TERM.** The term of the Contract shall be for a term of approximately three (3) years and one (1) month beginning on the 21<sup>st</sup> day of August, 2012 (the "Commencement Date") and ending on the 30<sup>th</sup> day of September, 2015, provided, however, that the term of this Contract shall be subject to earlier termination by Involuntary Separation (as defined and set forth below) at the pleasure of the Council.

1.2 **EXTENSION.** The City may, by an affirmative vote of a majority of the Council, and with the consent and approval of Mr. Jones, extend the term of this Contract by written amendment thereto.

## II. EMPLOYMENT

2.1 **CHIEF OF OPERATIONS.** The Chief of Operations is the head of the Operations Division of the City and shall faithfully perform the duties of the Chief of Operations as set forth in this Contract. The Operations Division shall consist of the Lavon Police Department and the Lavon Public Works Department. Further, the Chief of Operations shall comply with (collectively "Applicable Laws and Authorities"); state and federal law; all City policies, rules, regulations and ordinances as they exist or may hereinafter be amended; and, all lawful directives of the Mayor. All directives of the Mayor to the Chief of Operations shall be in writing; marked as a directive and signed by the Mayor. All duties assigned to the Chief of Operations by the Mayor or Council shall be appropriate to and consistent with the professional role and responsibility of the Chief of Operations position.

2.2 **DUTIES.** The Council does hereby employ Mr. Jones as Chief of Operations to perform the duties of the Chief of Operations ("Chief of Operations Duties") in accordance with and pursuant to all Applicable Laws and Authorities and each of the following duties to the full extent not prohibited or in material conflict with any existing provisions of the City's ordinances or Applicable Laws and Authorities:

2.2.1 Assist the Mayor in directing, assigning, reassigning and evaluating all of the employees of the City in the Operations Division.

2.2.2 Assist the Mayor in developing and establishing internal regulations, rules, and procedures which the Mayor and the Chief of Operations deem necessary for the efficient and effective operation of the Operations Division of the City.

2.2.3 Pursue grants and donations the Chief of Operations believes are obtainable and of benefit to the City of Lavon.

The Chief of Operations shall perform the Chief of Operations Duties with reasonable care, diligence, skill and expertise.

2.3 **REASSIGNMENT.** Mr. Jones cannot be reassigned from the position of Chief of Operations to another position without Mr. Jones's prior express written consent.

2.4 **COUNCIL MEETINGS.** Except to the extent prohibited by or in material conflict with Applicable Laws and Authorities, the Chief of Operations or the Chief of Operations designee shall attend, and shall be permitted to attend, all meetings of the Council, both public and closed, with the exception of those closed meetings devoted to the consideration of any action or lack of action on this Contract, or any amendment hereto, Mr. Jones's evaluation as Chief of Operations, or for purposes of resolving conflicts between individual Council members.

**2.5 CITY MARSHAL.** The Council, on behalf of the City, supports Mr. Jones's plan for retirement from the position of City Marshal of the City ("City Marshal"). As such, the Council agrees to use all resources available to the Council to fully implement the following plan of retirement from the position of City Marshal as allowed by TMRS rules and regulations.

2.5.1 The Council recognizes Mr. Jones's seven (7) years and ten (10) months of service with the Natrona County Sheriff's Office, Casper, Wyoming, as "Prior Service" creditable to the City of Lavon. The parties understand that TMRS may not recognize the Prior Service.

2.5.2 The Council agrees to take any and all actions necessary for the Texas Municipal Retirement System ("TMRS") to recognize these seven (7) years and ten (10) months of Prior Service.

2.5.3 The Council agrees that if and upon recognition of the seven (7) years and ten (10) months of Prior Service, Mr. Jones will be eligible for retirement from the position of City Marshal with full benefits from TMRS; however, Mr. Jones will not be eligible to collect the TMRS retirement benefit while continuing his employment with the City as the Chief of Operations.

2.5.4 After the earlier of either TMRS having notified the City of Lavon and Mr. Jones of Mr. Jones's eligibility to retire with full benefits or 90 days from the date of execution of this Contract, Mr. Jones shall execute a letter of retirement from the position of City Marshal.

2.5.4.1 The letter of retirement and/ or the actual retirement from the position of City Marshal shall not affect the position of Chief of Operations or any other provision of this Contract.

2.5.5 Upon receipt of the letter of retirement, the City shall prepare and submit all appropriate forms and payments to the Texas Commission on Law Enforcement Officer Standards and Education ("TCLEOSE") showing Mr. Jones as honorably retired from the position of City Marshal.

2.5.6 The Council agrees that Mr. Jones shall remain in the full time position of City Marshal until such time as his retirement from the position is effective.

2.5.7 After Mr. Jones's retirement from the position of City Marshal and continuing uninterrupted until his death, the City shall provide Mr. Jones with a law enforcement officer's retirement identification card that complies with all state and federal laws.

2.5.7.1 The City shall replace or update the law enforcement officer's retirement identification card upon the request of Mr. Jones at no charge, within five (5) business days.

2.5.7.2 The City agrees that the Lavon Police Department shall continually carry Mr. Jones on its retirement roster until his death.

2.5.8 After Mr. Jones's retirement from the position of City Marshal and continuing uninterrupted until his death, the City agrees that Mr. Jones may carry a City of Lavon Marshal's Office or City of Lavon Police Department retirement badge along with his law enforcements officer's retirement identification.

2.5.9 After Mr. Jones's retirement from the position of City Marshal and continuing uninterrupted until his death; the City shall allow Mr. Jones to qualify with a firearm as often as necessary, and the chief law enforcement officer of the City shall issue Mr. Jones a retired law enforcement officer's firearms proficiency card that complies with all state and federal laws.

2.5.10 The provisions contained in Paragraph 2.5 of this Contract, including all subparagraphs and clauses shall survive the termination of this Contract.

**2.6 INDEMNIFICATION.** TO THE EXTENT IT MAY BE PERMITTED TO DO SO BY APPLICABLE LAWS AND AUTHORITIES, INCLUDING, BUT NOT LIMITED TO TEXAS CIVIL PRACTICE & REMEDIES CODE CHAPTER 102, THE CITY DOES HEREBY AGREE TO DEFEND, HOLD HARMLESS, AND INDEMNIFY CHIEF OF OPERATIONS FROM ANY AND ALL DEMANDS, CLAIMS, SUITS, ACTIONS, JUDGMENTS, EXPENSES AND ATTORNEYS' FEES INCURRED IN ANY LEGAL PROCEEDINGS BROUGHT AGAINST MR. JONES AS THE CHIEF OF OPERATIONS IN HIS INDIVIDUAL OR OFFICIAL CAPACITY AS AN EMPLOYEE AND AS CHIEF OF OPERATIONS, PROVIDING THE INCIDENT(S), WHICH IS (ARE) THE BASIS OF ANY SUCH DEMAND, CLAIM, SUITS, ACTIONS, JUDGMENTS, EXPENSES AND ATTORNEYS' FEES, AROSE OR DOES ARISE IN THE FUTURE FROM AN ACT OR OMISSION OF CHIEF OF OPERATIONS, AS AN EMPLOYEE OF THE CITY, ACTING WITHIN THE COURSE AND SCOPE OF THE CHIEF OF OPERATIONS' EMPLOYMENT WITH THE CITY; NOTWITHSTANDING THE FOREGOING, THIS INDEMNIFICATION EXCLUDES ANY SUCH DEMAND, CLAIM, SUITS, ACTIONS, JUDGMENTS BROUGHT BY MR. JONES AGAINST THE CITY, THE CITY COUNCIL, ANY CITY OFFICIAL, OFFICER OR EMPLOYEE, OR WHERE IT IS DETERMINED THAT MR. JONES AS THE CHIEF OF OPERATIONS COMMITTED OFFICIAL MISCONDUCT, OR COMMITTED A WILLFUL OR WRONGFUL ACT OR OMISSION, OR AN ACT OF OMISSION CONSTITUTING GROSS NEGLIGENCE, OR ACTED IN BAD FAITH; AND EXCLUDING ANY COSTS FEES, EXPENSES OR DAMAGES THAT WOULD BE RECOVERABLE OR PAYABLE UNDER AN INSURANCE OR RISK POOL CONTRACT, HELD EITHER BY THE CITY OR BY THE CHIEF OF OPERATIONS. THE SELECTION OF THE CHIEF OF OPERATIONS' LEGAL COUNSEL SHALL BE BY THE MUTUAL CONTRACT OF THE CHIEF OF OPERATIONS AND THE CITY IF SUCH LEGAL COUNSEL IS NOT ALSO CITY'S LEGAL COUNSEL. A LEGAL DEFENSE MAY BE PROVIDED THROUGH INSURANCE OR RISK POOL COVERAGE, IN WHICH CASE THE CHIEF OF OPERATIONS' RIGHT TO AGREE TO LEGAL COUNSEL PROVIDED FOR HIM WILL DEPEND ON THE TERMS OF THE APPLICABLE INSURANCE OR RISK POOL COVERAGE. TO THE EXTENT THIS PARAGRAPH 2.6 EXCEEDS THE

AUTHORITY PROVIDED AND LIMITATIONS IMPOSED BY TEXAS CIVIL PRACTICE & REMEDIES CODE, CHAPTER 102, IT SHALL BE CONSTRUED AND MODIFIED ACCORDINGLY. THE PROVISIONS OF THIS PARAGRAPH 2.6 SHALL SURVIVE THE TERMINATION, EXPIRATION OR OTHER END OF THIS CONTRACT AND/OR THE CHIEF OF OPERATIONS' EMPLOYMENT WITH THE CITY FOR FOUR YEARS AFTER TERMINATION.

**2.7 APPROPRIATION.** The Council has appropriated, set aside and encumbered, and does hereby appropriate, set aside and encumber, available and otherwise unappropriated funds of the City in an amount sufficient to fund and pay all financial obligations of the City pursuant to this Contract.

**2.8 HOURS OF WORK.** Mr. Jones acknowledges that the proper performance of the Chief of Operations duties require the Chief of Operations to generally observe normal business hours for the City. The Chief of Operations is not an "on call" position and the Chief of Operations is not expected to take off-hours phone calls or to perform unscheduled work during off hours.

However, the City intends that reasonable time off be permitted the Chief of Operations, such as is customary for employees so long as the time off does not interfere with the normal conduct of the office of the Chief of Operations.

Mr. Jones is authorized to seek and accept outside employment during his off hours with notice to the Council, conditioned that such employment does not directly conflict with his position or duties as the Chief of Operations with the City and that the work performed would not bring discredit or otherwise harm the good reputation of the City in the opinion of the Council.

Mr. Jones is expressly authorized by the Council to accept any and all employment related to a position in law enforcement, whether paid or volunteer.

### **III. COMPENSATION**

**3.1 SALARY.** The Chief of Operations is a salaried position and the salary shall be an annual gross base amount of seventy five thousand, five hundred and fifteen dollars (\$75,515.00). This salary shall be paid to Mr. Jones on the same schedule as other employees and shall be paid net of (less) any applicable withholding or deductions required by Applicable Laws and Authorities.

3.1.1 The City shall pay the Chief of Operations a bonus equivalent to 3.5% value of any non-matching non-City monetary grant funds or monetary donations accepted by the City which the Chief of Operations solicited and on which he performed substantial work.

3.1.2 Any and all bonuses shall be paid to the Chief of Operations on the pay day following payment of the grand funds or monetary donations to the City.

**3.2 SALARY ADJUSTMENTS.** At any time during the term of this Contract, the Council may, in its discretion, review and adjust the salary of the Chief of Operations, but in no event shall the Chief of

Operations be paid less than the salary set forth in Paragraph 3.1 of this Contract, except by mutual agreement of the two parties. Such adjustment, if any, shall be made pursuant to lawful Council resolutions or ordinances. In such event, the parties agree to provide their best efforts and reasonable cooperation to execute a new Contract incorporating the adjusted salary.

**3.3 PAID LEAVES – VACATION, SICK/PERSONAL AND HOLIDAY.** The Chief of Operations may take, at the Chief of Operations' choice, the same number of hours of vacation authorized for other administrative employees of the City, the leave to be in a single period or at different times. The vacation leave taken by the Chief of Operations will be taken at such time or times as will least interfere with the performance of the Chief of Operations' Duties. The Chief of Operations is hereby granted the same sick/personal leave benefits as authorized by Council policies for administrative employees. The Chief of Operations shall observe the same legal holidays as provided by the City for its administrative employees. The Chief of Operations shall receive credit for tenure as it applies to all aspects of his employment from the date of his original employment with the City of Lavon (April 18, 1999).

**3.4 BENEFITS – GENERAL.** Unless expressly provided otherwise in the Contract, in addition to those benefits specifically set forth herein, the Chief of Operations shall be entitled to the same benefits that are enjoyed by any other administrative employees of the City pursuant to all Applicable Laws and Authorities.

**3.5 INSURANCE – HEALTH.** The City agrees to pay the premiums for health, hospitalization, vision, dental and comprehensive medical insurance for the Chief of Operations pursuant to the group health care plan provided by the City for its administrative employees.

**3.6 RETIREMENT BENEFIT.** The City agrees to enroll the Chief of Operations into the applicable state or local retirement system and to make at least the same level of contributions for the Chief of Operations or on the Chief of Operations' behalf as the City does for its other administrative employees consistent with all Applicable Laws and Authorities.

**3.7 EXPENSES.** The City shall pay or reimburse the Chief of Operations for reasonable expenses incurred by the Chief of Operations in the continuing performance of the Chief of Operations' duties under this Contract. The City agrees to pay the reasonable actual and incidental costs incurred by the Chief of Operations for travel. Such actual or incidental costs may include, but are not limited to, airfare, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the City. The Chief of Operations shall comply with all procedures and documentation requirements in accordance with Applicable Laws and Authorities.

The City shall pay the standard U.S. government mileage rate for any use of the Chief of Operations' personal vehicle for City business.

**3.8 BONDS.** The City shall bear the full cost of any fidelity or other bonds required of the Chief of Operations under any law or ordinance.



**3.9 CIVIC ACTIVITIES.** The Chief of Operations is encouraged to participate in community and civic organizations and activities. The cost of such activities shall be borne by the City.

**3.10 EQUIPMENT.** The City shall provide the Chief of Operations position with the following equipment:

3.10.1 Adequate office space and equipment to perform all duties and responsibilities of the Chief of Operations.

3.10.2 A reliable vehicle in good working order, for on duty use, at no cost to the Chief of Operations.

3.10.3 A cellular phone with: nationwide coverage, unlimited cell usage, unlimited data usage and unlimited text usage at no cost to the Chief of Operations.

3.10.4 A portable computer, sufficient to conduct business, with a cellular link to the internet and unlimited data usage at no cost to the Chief of Operations.

#### **IV. PROFESSIONAL GROWTH**

**4.1 PROFESSIONAL DUES AND SUBSCRIPTIONS.** The City agrees to budget for and to pay for professional dues and subscriptions of the Chief of Operations necessary for continuation and full participation in national, state, regional, and local associations and organizations as necessary and/or desirable for the good of the City through the Chief of Operations' continued professional participation, growth and advancement.

**4.2 PROFESSIONAL DEVELOPMENT TRAVEL.** The City agrees to budget for and to pay for reasonable travel and subsistence expenses of the Chief of Operations for professional and official travel and meetings.

**4.3 PROFESSIONAL CONTINUING EDUCATION.** The City also agrees to budget for and to pay for reasonable travel and subsistence expenses of the Chief of Operations for short courses, institutes, and seminars that are necessary and/or desirable for the good of the City through the Chief of Operations' professional development.

#### **V. PERFORMANCE EVALUATION**

**5.1 EVALUATION PROCESS.** The Council shall review the Chief of Operations' job performance at least once annually with the first review being in May 2013, and subsequent annual reviews to occur during the month of May of each year thereafter unless the parties agree otherwise. The annual performance reviews and evaluations shall be in writing and in accordance with criteria and format initially developed jointly by the Mayor or designee of the Mayor and the Chief of Operations, and approved by the Council. The Council shall provide the Chief of Operations a

reasonable and adequate opportunity to discuss with the Council and/or respond to the Chief of Operations' evaluation.

**5.2 CONFIDENTIALITY.** Unless the Chief of Operations expressly requests otherwise in writing, except to the extent prohibited by or in material conflict with Applicable Laws and Authorities, the evaluation of the Chief of Operations shall at all times be conducted in closed session of the Council and shall be considered confidential to the maximum and full extent permitted by law. Nothing herein shall prohibit the Council or the Chief of Operations from sharing the content of the Chief of Operations' evaluation with their respective legal counsel.

**5.3 MODIFICATION OF EVALUATION PROCESS.** In the event the Council determines that the evaluation instrument, format and/or procedure are to be modified by the Council, and any such modifications would require new or different performance expectations, then the Chief of Operations shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

## **VI. TERMINATION – Severance Payment**

**6.1 SEVERANCE PACKAGE.** In the event of Involuntary Separation of Mr. Jones under Paragraphs 6.3 and 6.4, in addition to sums due for accrued vacation and any pending bonuses for monetary grant funds or monetary donations, he will be entitled to the following severance package (“Severance Package”):

6.1.1 A lump sum gross payment of seventy five thousand dollars (\$75,000.00)(“Severance Payment”); and

6.1.1.1 If the Council by an affirmative vote (with the required number of votes) of the Council at a Council meeting effectuates Involuntary Separation (defined below in Paragraph 6.4) on or before the 1<sup>st</sup> day of May, 2013, Mr. Jones shall be entitled to an additional gross payment of seventy five thousand dollars (\$75,000.00) for a total lump sum gross payment of one hundred fifty thousand dollars (\$150,000.00).

6.1.1.2 During the final year of this Contract (from October 1, 2014 to September 30, 2015) the amount of the Severance Payment shall be incrementally reduced so that the Severance Payment during the final contract year (October 1, 2014 to September 30, 2015) shall be the lesser of: seventy five thousand dollars (\$75,000.00) or twice the remaining salary to be paid in the final contract year.

6.1.1.2.1 The remaining salary shall be calculated as follows: seventy five thousand, five hundred and fifteen dollars (\$75,515.00) divided by twenty six (26) pay periods (rounded to the nearest penny) or two thousand, nine hundred, four dollars and 42 cents (\$2,904.42) two times the number of full and partial pay periods between the day of the action resulting in Involuntary Separation and the 30<sup>th</sup> day of September, 2015. For example, if there is an

Involuntary Separation with four (4) pay periods remaining in the final year of this Contract, the payment would be \$23,235.36 which is equal to eight (8) pay periods.

6.1.2 Continued health insurance coverage for a period of the lesser of one (1) year or twice the remaining term of the Contract.

Conditioned upon the City fulfilling its obligations to pay the Severance Package, Mr. Jones waives and releases his rights to continued employment with the City, and fully releases and discharges the City, its employees, officers, officials, council members, attorneys and other representatives and agents of and from any and all claims, controversies, suits, and causes of actions of every conceivable type, without limitation related to Mr. Jones's employment with the City but excluding those matters referenced in this Contract related to 1) his retirement from the position of City Marshal, 2) non-disparagement, and 3) indemnification.

In the event of an Involuntary Separation, the Council and Mr. Jones agree not to make disparaging comments or statements about each other

**6.2 TERMINATION EVENTS.** This Contract shall terminate upon any of the following:

6.2.1 Written resignation of Mr. Jones submitted to and accepted by the majority vote of the Council; or

6.2.2 Retirement or death of Mr. Jones; or

6.2.3 Involuntary Separation (as defined and set forth in Section 6.4 below); or

6.2.4 Expiration of the term of this Contract.

**6.3 INVOLUNTARY SEPARATION.** As one of the termination events specified above in Paragraph 6.2, the Council may end the employment relationship with Mr. Jones and terminate this Contract, at the pleasure of the Council, whether with or without good cause, upon written notice to Mr. Jones, as the Chief of Operations, as specified below and upon payment to Mr. Jones of the Severance Payment.

6.3.1 If the Council determines by an affirmative vote of four (4) or more of the Council that it desires an Involuntary Separation, it shall provide written notice to Mr. Jones at least thirty (30) days in advance of the effective date of such termination, which notice shall specify:

6.3.1.1 that the Council has determines by an affirmative vote of four (4) or more of the Council to effectuate an Involuntary Separation pursuant to Paragraph 6.4 of this Contract; and

6.3.2 the effective date of the Involuntary Separation (the "Severance Effective Date"); and

6.3.3 the City's commitment to pay the Severance Payment (including a specific line item breakdown of the Severance Payment).

On or before the Severance Effective Date, Mr. Jones may by written notice to the City direct that the Severance Payment be paid and payable in a manner directed by Mr. Jones, provided that the total Severance Payment must be paid and payable on or before the Severance Effective Date; there shall be no limitations on the City making all deductions and withholdings pursuant to Applicable Laws and Authorities.

Failure by the City to pay the full amount of all monies owed to Mr. Jones at and by the Severance Effective Date shall extend the employment of Mr. Jones until such full payment has been made. Mr. Jones shall be entitled to pay and benefits regardless of work performed during any extended employment period.

**6.4 INVOLUNTARY SEPARATION DEFINED.** For the purpose of this Contract, "Involuntary Separation" shall be defined to include any of the following events:

6.4.1 A determination by an affirmative vote of four (4) or more of the Council to terminate the employment of Mr. Jones or otherwise effectuate an Involuntary Separation as set forth herein; or

6.4.2 The resignation of Mr. Jones as the Chief of Operations based upon a reduction in his salary or benefits by the Council; or

6.4.3 The resignation of Mr. Jones as the Chief of Operations following a formal or informal suggestion for him to resign or other expression of no confidence by a majority of the full membership of the Council.

## **VII. GENERAL PROVISIONS**

**7.1 COMPLETE CONTRACT.** This Contract sets forth and establishes the entire understanding between the City and Mr. Jones relating to the employment of Mr. Jones as the Chief of Operations by the City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Contract. The parties by mutual written signed Contract may amend any provision of this Contract during the term of this Contract; such amendments shall be incorporated and made a part of this Contract.

**7.2 BINDING EFFECT.** This Contract shall be binding on the City and Mr. Jones as well as their heirs, assigns, executors, personal representatives and successors in interest.

**7.3 SAVINGS CLAUSE.** If any term or provision of this Contract, as applied to any party or to any circumstance, is declared by a court of competent jurisdiction hereof to be illegal, unenforceable or void in any situation and in any jurisdiction, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending provision in any other situation or in any other jurisdiction. The parties agree that the court making such determination shall have the power to reduce the scope, duration, area or applicability of the invalid or unenforceable term or provision, to delete specific words or phrases or to replace any illegal, unenforceable or void term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

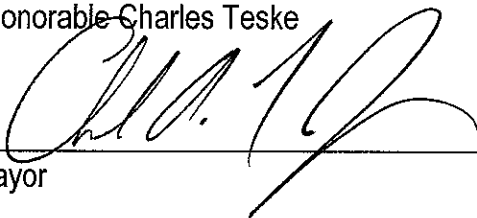
**7.4 CONFLICTS.** In the event of any conflict between the terms, conditions and provisions of this Contract and the Applicable Laws and Authorities, then, unless otherwise prohibited by law, the terms of this Contract shall take precedence over the contrary provisions of the Applicable Laws and Authorities during the term of this Contract.

**7.5 CONTROLLING LAW.** This Contract shall be governed by and construed and enforced in accordance with the laws of the States of Texas and shall be performable in Collin County, Texas, unless otherwise provided by law. Venue shall be in Collin County only.

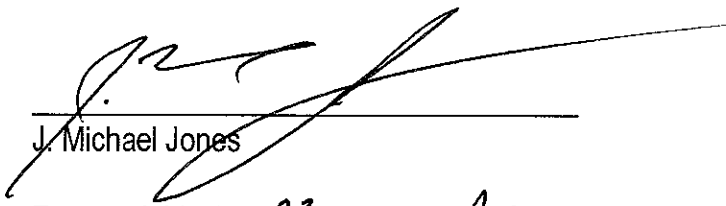
**7.6 AMENDMENT.** This Contract shall amend and supersede all prior employment contracts between the City and Mr. Jones, and shall be the only employment contract in effect between the City and Mr. Jones.

**CITY OF LAVON, TEXAS**

By: Honorable Charles Teske

  
\_\_\_\_\_  
Its Mayor

Executed this the 23 day of August, 2012.

  
\_\_\_\_\_  
J. Michael Jones

Executed this the 23 day of Aug, 2012.

ACKNOWLEDGMENT

STATE OF TEXAS §  
  §  
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 23 day of August, 2012, by **Charles Teske, Mayor of the City of Lavon, Texas**, on behalf of the **City of Lavon, Texas**.



Laura Kennemer  
Notary Public in and for the State of Texas

Laura Kennemer  
Name printed or typed  
My commission expires: 7/19/14

ACKNOWLEDGMENT

STATE OF TEXAS §  
  §  
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 23 day of August, 2012, by **J. Michael Jones**.



Laura Kennemer  
Notary Public in and for the State of Texas

Laura Kennemer  
Name printed or typed  
My commission expires: 7/19/14